

Certified as a Re<sub>g</sub>ulation (or  
Regulations of the

*Dept of Social Welfare*  
(Name of State Agency)

*Charles J. Schauland*  
(Signature)

*Director*  
(Title)

*5/31/57*  
(Date)

*1-22*  
*CH-2*

Sacramento 14  
June 1, 1951

AID TO NEEDY CHILDREN MANUAL LETTER NO. 11

The attached revisions numbered 64 through 68 are to be entered in your copy of the Manual of Policies and Procedures - Aid to Needy Children and the revision numbers canceled on the inside of the Manual cover.

These revisions were adopted by the Social Welfare Board on May 25, 1951, and are effective July 1, 1951.

New Secs. C-439 and C-440 and the revisions to Secs. C-420 and C-512 specify which relatives are eligible for federal participation, how eligibility for federal participation is determined, and the amount of federal participation available for the needy eligible relative.

Sec. C-503, as revised, specifies the method for determining the budget allowance for utilities when there are persons in the household who are not included in the family budget unit.

FILED

In the Office of the Secretary of State  
of the State of California

MAY 31 1951

At 3 o'clock P.M.

FRANK M. JORDAN, Secretary of State

By *[Signature]* Deputy



Federal participation in payment of assistance for children is available (a)  
for cases in which the following requirements are met:

1. The child is living in the home of a relative.
2. The payee is one of the following:
  - a. The relative in whose home the child is living
  - b. The legal guardian of the relative with whom the child is living
  - c. The child, if that is a desirable social plan
  - d. In an emergency, a person acting temporarily for the relative with whom the child is, or was, living.
3. The child 16 years of age or over, but under 18, is attending school regularly.

In addition, federal participation is available in the payment of assistance for any one of the needy relatives specified in Section C-423 with whom the federally eligible child is living, provided the following requirements are met:

1. The relative with whom the child is living is exercising primary responsibility for the care and control of the child.
2. The relative is not receiving any other form of categorical assistance.
3. A money payment is made for the child for the month in which federal participation is claimed for the relative.

(FSS Admin.)

For purposes of federal participation in the assistance payment in behalf of the relative with whom the child eligible for federal participation is living, the following conditions shall be met:

1. The relative must be a relative specified in Sec. C-423 with whom the child is living.
2. The relative must be in need, i.e., included as a member of the family budget unit as outlined in Sec. C-503.
3. The relative must be exercising primary responsibility for the care and control of the child either singly, or as in the case of a married couple, jointly.
4. The relative must not be receiving any other form of categorical assistance.
5. A money payment must be made for the child for the month in which federal participation for the relative is claimed.

Usually, the needy relative eligible for federal participation will also be the eligible payee. However, this is not a requirement if the child is living with more than one relative. For example, the incapacitated father who is receiving ANB may be the payee for the ANC assistance payment and the mother may be considered the eligible needy relative. In such cases, the payee must meet the requirements specified in Sec. C-429. (W&IC 1560; FSS - Admin.)



If federal participation is to be claimed for the payee as the eligible needy relative, the county shall determine that the payee is needy and that he is not receiving any other form of categorical assistance. Inclusion of the payee in the family budget unit in determining the amount of the assistance payment is sufficient evidence of need. ~~The payee's oral statement that he is not receiving any other form of categorical assistance, or, if there is any question, a check of county records is adequate evidence.~~

If the eligible needy relative is other than the payee, the county shall determine that the child is living in the home of the relative in accordance with Sec. C-426 in addition to the determination that he is needy and not receiving any other form of categorical assistance. (W&IC 1560; FSS - Admin.)



Item E-6 is the only item of this section being revised. Other portions not relative to the change are omitted from the agenda.

E. NEEDS COMMON TO ALL FAMILY BUDGET UNITS

The goods and services essential to a minimum adequate standard of living for all family budget units, whether the children are living with their own families or with needy relatives, and the rules for computing the family budget are as follows:

6. Utilities

The amounts given in the Cost Schedule for those utilities used by the family and not included in the rent (e.g., gas for cooking, electricity for lighting, wood for heating) shall be included in accordance with the number in the family budget unit.

The average monthly amount of the cost of ice, if needed, shall be included up to the maximum allowance indicated on the Cost Schedule.

If there are others in the household not included in the family budget unit, only the prorated share of the amounts for utilities given in the Cost Schedule in accordance with the total number of persons in the household is allocable to the family budget unit.

(a)

If a utility used by the family is not listed on the Cost Schedule, the county shall determine and include the average monthly amount necessary on an annual basis. The basis of the county's determination shall be recorded in the narrative.

(For more complete statement, see Financial Procedures Sections)

For each child eligible for ANC, the California law provides that there shall be paid the sum of \$72 per month, or so much thereof as is necessary for the adequate care of the child, or if there is more than one child in the home, the sum of \$72 for one child and \$36 for each of the other children. The state shall pay 2/3 and the county shall pay 1/3 of this amount for the care of a child who has county residence, but the state shall not pay more than \$48 for one child and \$24 for each additional child in the home. For the child who does not have county residence, the state shall pay as needed up to the full \$72 for one child and \$36 for each additional child in the home.

Federal assistance participation, in addition to state and county funds, is provided for children eligible under the federal and state laws, for cases in which the federal requirements are met, not to exceed \$16.50 for one child, and \$12 for each additional child, and \$16.50 for the eligible needy relative.

Table of Maximum Reimbursement Amounts for Children Eligible  
for Federal Participation

Number of Children	Maximum Participation	State Share	County Share	Federal Share
1	\$ 88.50	\$ 48	\$ 24	\$ 16.50
2	136.50	72	36	28.50
3	184.50	96	48	40.50
4	232.50	120	60	52.50
5	280.50	144	72	64.50
Etc.				

(a)

(Section Continued on Next Page)

(a) To incorporate provisions of Dept. Bul. 435.



Table I      Maximum Reimbursement Amounts for Children Eligible for  
Federal Participation Living with a Needy Relative Eligible  
for Federal Participation

Number of Children	Maximum Participation Base	State Share	County Share	Federal Share
1	\$105	\$ 48	\$ 24	\$ 33
2	153	72	36	45
3	201	96	48	57
4	249	120	60	69
5	297	144	72	81
6	345	168	84	93
7	393	192	96	105
8	441	216	108	117
9	489	240	120	129
10	537	264	132	141

(a)

Table II      Maximum Reimbursement Amounts for Children Eligible for  
Federal Participation Living with a Relative Not Eligible  
for Federal Participation

Number of Children	Maximum Participation Base	State Share	County Share	Federal Share
1	\$ 88.50	\$ 48	\$ 24	\$ 16.50
2	136.50	72	36	28.50
3	184.50	96	48	40.50
4	232.50	120	60	52.50
5	280.50	144	72	64.50
6	328.50	168	84	76.50
7	376.50	192	96	88.50
8	424.50	216	108	100.50
9	472.50	240	120	112.50
10	520.50	264	132	124.50

(Section Continued on Next Page)

(a) To incorporate provisions of Dept. Bul. 435.



Table of Maximum Reimbursement Amounts for Children in  
Boarding Homes, Institutions, and with Relatives  
Ineligible for Federal Reimbursement

	Maximum-----	State----	County
	Participation-----	Share-----	Share
<hr/>			
<u>Boarding Homes or Ineligible Relatives--</u>			
One Child-----	\$72-----	\$48-----	\$24
Each Additional Child-----	36-----	24-----	12
<u>Institutions--</u>			
Each Child-----	36-----	24-----	12

(a)

Table III Maximum Reimbursement Amounts for Children Not Eligible  
for Federal Participation Living with Relatives, in  
Boarding Homes, or in Institutions

	Maximum Participation Base	State Share	County Share
<hr/>			
<u>Boarding Homes or Relatives</u>			
One Child	\$72	\$48	\$24
Each Additional Child	36	24	12
<u>Institutions</u>			
Each Child	36	24	12

Assistance needed in excess of the amounts provided by federal, state, and county funds may be provided by the county from its own funds. If the amount of the assistance needed for the family budget unit exceed the maximum for state and federal participation, and the family budget unit includes needy parents, stepparent, other caretaker, or ineligible minors, who are eligible for county assistance, the county shall provide county assistance to the individuals in accord with General Relief standards or the ANC standard.

(Section Continued on Next Page)

(a) To incorporate provisions of Dept. Bul. 435.

Federal participation is available in the initial payment provided the board of supervisors action occurs within the month for which assistance is granted and the warrant is delivered during the same month or not later in the following month than the time when such payment would normally be issued. It is also available in:

1. A corrective payment for the two months preceding the month in which the corrective payment is authorized; e.g., payment to correct an erroneous denial, to correct an erroneous beginning date of assistance, to increase a payment retroactively, to correct an erroneous payment, to make delayed payment, and to correct an erroneous discontinuance (see Sec. C-545, Corrective Payments).
2. A payment made as a result of an appeal for the period during which the appeal was pending including the month in which the appeal was signed, and the two preceding months.
3. A payment made for a child temporarily absent from the home (see Secs. C-426, Determination of Living in the Home of a Relative for Federal Participation, and C-447, Children in Institutions - Determination).
4. A payment made during the month a child dies. (W&IC 1511, 1512, 1560; FSS-Admin.)



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LOS ANGELES OFFICE  
MICHIGAN 8411  
MIRROR BUILDING  
145 SOUTH SPRING STREET  
12

SAN FRANCISCO OFFICE  
EXBROOK 2-8751  
GRAYSTONE BUILDING  
948 MARKET STREET  
2

Earl Warren  
Governor

STATE OF CALIFORNIA

## Department of Social Welfare

CHARLES I. SCHOTTLAND

DIRECTOR  
Sacramento 14

May 31, 1951

IN REPLY PLEASE REFER  
TO:

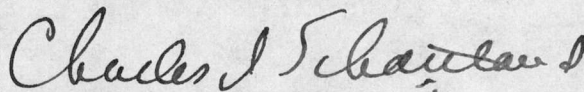
Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare with Aid to Needy Children Manual Letter No. 11.

These regulations contained in this material were approved by the State Social Welfare Board on May 25, 1951, pursuant to the powers conferred upon it by the Welfare and Institutions Code, Sections 103, 103.5, and 1560, and are filed in accordance with provisions of Section 11380 of the Government Code.

Very sincerely yours,



Charles I. Schottland  
Director

Attachments



Certified as a Regulation (or  
Regulations) of the

Dept of Social Welfare

(Name of State Agency)

Charles J. Shattelland

(Signature)

Director

(Title)

5/31/57

(Date)

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Earl Warren  
Governor

STATE OF CALIFORNIA

## Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

Sacramento 14  
May 31, 1951

IN REPLY PLEASE REFER  
TO:

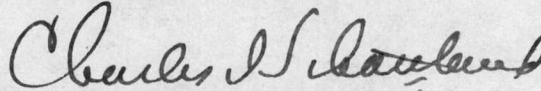
Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare with Manual Letter No. 151.

These regulations were adopted by the State Social Welfare Board on May 25, 1951, pursuant to the powers conferred upon it by the Welfare and Institutions Code under Sections 103, 103.5, 103.6, and 114b, and are being filed in accordance with Section 11380 of the Government Code.

Very sincerely yours,

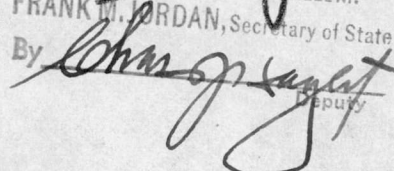


Charles I. Schottland  
Director

Attachments

FILED  
In the Office of the Secretary of State  
of the State of California

MAY 31 1951

At 3 o'clock P.M.  
FRANK M. JORDAN, Secretary of State  
By  Deputy



Sacramento  
June 1, 1951

MANUAL LETTER NO. 151

The attached revisions are to be entered in your copy of the Manual of Policies and Procedures and revision numbers 520 through 536 canceled on the separator of the Financial Procedures Chapter.

These revisions were adopted by the Social Welfare Board on May 25, 1951, and are effective July 1, 1951.

The following sections have been revised for clarification and for agreement with the revised Forms Ag, Bl, APSB, CA 809, Claim for Estimated Quarterly Expenditures:

601-00	601-41	601-46	601-51
601-10	601-42	601-47	601-52
601-20	601-43	601-48	601-60
601-30	601-44	601-49	601-99
601-40	601-45	601-50	

Sec. 601-20 has been revised to clarify instructions regarding delivery of warrants.

Correction:

In Sec. 135-25, Example 2, Line 3, change the word "owned" to "owed".

Department Bulletins No. 384, 441, and 441A are now obsolete.

Effective June 1, 1951, the following portions of this Manual, insofar as they pertain to Aid to Needy Blind, Aid to Partially Self-supporting Blind Residents, and Prevention of Blindness, are superseded by the Manual of Policies and Procedures - Aid to the Blind:

Chapter 101 - General Provisions	Chapter 170 - Relatives
Chapter 105 - Age	Chapter 180 - Blindness
Chapter 120 - Residence	Chapter 185 - Prevention of Blindness
Chapter 130 - Real Property	Chapter 200 - Applications
Chapter 140 - Personal Property	Chapter 230 - Investigation and Decision
Chapter 150 - Income	Chapter 350 - Continuing Services
Chapter 155 - Amount of Grant	Chapter 700 - State Case Numbers
Chapter 160 - Institution Inmates	

Effective June 1, 1951, the Manual of Policies and Procedures - Aid to the Blind renders obsolete Department Bulletins 400, 413, 420, 426, 436, 437, 443; Department Bulletins 397, 401, and 457 are obsolete insofar as they pertain to Aid to the Blind.

Department Bulletin No. 457A is obsolete insofar as Aid to the Blind is concerned, effective July 1, 1951.

Each county is required to submit Claims for Estimated Quarterly Expenditures, Forms Ag, Bl, APSB, CA 809, so that a determination can be made of the amounts of federal, state, and county moneys that must be available for the payment of OAS, ANB, APSB, and ANC for a given period. These county estimates are the basis of the SDSW report to the FSSA on the estimated expenditures and funds to be available for the programs in which the Federal Government participates.

State and federal funds will be forwarded to the counties monthly in advance by the State Controller's office. Except for correction of mathematical inaccuracies, the advances will be in the amounts requested on the Claim for Estimated Quarterly Expenditures, Forms Ag, Bl, APSB, CA 809, after adjustment by the SDSW for the differences between the estimates and the claims for the second prior quarterly period. (W&IC 1555, 1560, 2140, 2188, 3075, 3087.2, 3460, 3481)

(a)

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(a) Clarification



After approval of the assistance and administrative expenditure claims for a particular quarter, the SDSW will compute the difference between the actual and estimated expenditures of federal and state funds for that quarter. If an estimate for the quarter exceeds the expenditures, the difference will be deducted from the first monthly advance covering the second subsequent quarter's estimates. If an estimate is less than the actual expenditures, the difference will be added to the first monthly advance covering the second subsequent quarter's estimates. If an adjustment requires a deduction greater than the first monthly advance, the balance is applied to reduce subsequent monthly advances until the total deduction has been effected. If the amount to be deducted is greater than the entire quarterly estimate, the county will be requested to forward to the SDSW a county warrant, payable to the Treasurer of the State of California, for the balance which cannot be adjusted within the quarterly period. (W&IC 1555, 2188, 3087.2, 3481)

(a)

(a) Clarification



The county is accountable to the SDSW for money which has been advanced by the state for the payment of federal and state shares of OAS, ANB, and ANC; for federal shares of county administration of these programs; and for state funds advanced for APSB. Therefore, special funds or accounts should be set up to record the receipt of such money and transfers or disbursements therefrom. These accounts are subject to audit by state and federal auditors. (W&IC 1553, 1554, 2186, 2186.1, 2187, 3087, 3087.1, 3480)

(a)

(a) Clarification

601-30 SUBMISSION OF QUARTERLY ESTIMATE OF EXPENDITURES FOR ASSISTANCE 601-30  
(Rev.) AND ADMINISTRATION  
OAS, ANB, APSB, ANC

Two copies of the Claim for Estimated Quarterly Expenditures, Form Ag, B1, APSB, CA 809, shall be mailed quarterly to the SDSW, 616 K Street, Sacramento, in time to be received not later than two and one-half months prior to the beginning of the quarter covered by the estimate. Following are the submittal dates:

<u>Quarter Covered by Claim for Estimated Quarterly Expenditures</u>	<u>Due Date</u>
January 1 through March 31	October 15
April 1 through June 30	January 15
July 1 through September 30	April 15
October 1 through December 31	July 15

(a)

It is imperative that the estimates be received on or before the due date in order that the OAS, ANB, and ANC requests for federal funds may be forwarded to the FSSA on schedule. If any county is late in submitting its estimates, the request for federal funds for the entire state is delayed.  
(W&IC 1560, 2140, 3075, 3460)

(a) Clarification



Instructions for compiling Forms Ag, Bl, APSB, CA 809 are combined because of the similarity of reports.

In the APSB program the Federal Government does not share in either assistance or administration.

Children living in boarding homes or institutions shall not be included on the ANC Claim for Estimated Quarterly Expenditures, Form CA 809. The ineligible children reported on this form are only those children for whom ANC is claimed on the Aid Affidavit, Form CA 800, who do not meet federal eligibility requirements. (W&IC 1560, 2140, 3075, 3460)

(a)

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(a) Clarification



The estimated number of recipients should be as accurate and conservative as possible. The estimate shall be based on existing laws and allowance shall be made for a normal increase or decrease in caseload.

The following method may be used to estimate the total number of recipients:

OAS, ANB, APSB - Item 1.

In preparing estimates for the January - March quarter, the number of recipients for the months of June, July, August, and September may be used to determine the caseload trend.

<u>Month</u>	<u>Number of Recipients</u>	<u>Net Increase</u>
June	83	
July	87	4
August	92	5
September	95	3
	Total	12
	Average Monthly Increase	4

Total cases on aid during September	95
Add: Average monthly increase of 4 cases per month	
Estimated number to receive aid for October	99
Estimated number to receive aid for November	103
Estimated number to receive aid for December	107
Estimated number to receive aid for January	111
Estimated number to receive aid for February	115
Estimated number to receive aid for March	119

The monthly amounts may be estimated by an increase of four recipients each month or the total of all three months (345) may be prorated equally.

	<u>First Month</u>	<u>Second Month</u>	<u>Third Month</u>
Number of Recipients	111	115	119
or			
Number of Recipients	115	115	115

ANC - Items 1, 2, 3, 4, and 5

The same procedure suggested for OAS, ANB, and APSB may be followed to estimate Item 1, Number of Children Eligible for Federal Participation, Item 2, Number of Needy Relatives Eligible for Federal Participation, and Item 4, Number of Children Not Eligible for Federal Participation. Item 3 on Form CA 809 is the sum of Items 1 and 2; Item 5 is the sum of Items 3 and 4. (W&IC 1560, 2140, 3075, 3460)

(a) Instructions revised to agree with revised Forms Ag, Bl, APSB, CA 809.

The average payment shall not exceed the maximum grant in OAS, ANB, and APSB or the maximum state basis in ANC. (See Sec. 627-10, Charts of Financial Participation in Grants of Aid.)

In estimating the average payment (Item 2, Forms Ag, B1.809 and Item 6, Form CA 809), recipients and expenditures for the latest three month period may be used. For example, when preparing the OAS estimate for the January-March quarter, determine the average amount paid to OAS recipients for the combined months of July, August, and September.

<u>Month</u>	<u>Number of Recipients</u>	<u>Total Assistance Paid</u>
July	4,133	\$293,443.60
August	4,188	297,348.71
September	4,199	298,184.10
Total	12,520	\$888,976.41

(a)

$\$888,976.41 \div 12,520 = \$71 = \text{Average Payment}$

For ANC the estimated average payment (Item 6) is the average for all children and eligible needy relatives shown in Item 5.

The average payment shall be rounded to the nearer whole cent.  
(W&IC 1560, 2140, 3075, 3460)

(a) Instructions revised to agree with revised Form AG, B1 APSB, CA 809.



OAS and ANB - Item 3

The estimated total assistance is equal to the total number of recipients (Item 1) multiplied by the estimated average payment (Item 2).

APSB - Item 2

Since there are so few APSB cases receiving less than the maximum grant, it is acceptable for estimating purposes to multiply the total number of recipients (Item 1) by the state maximum. (See Sec. 627-10, Charts of Financial Participation in Grants of Aid.)

ANC - Item 7

The estimated total assistance is the estimated total of all children and eligible needy relatives (Item 5) multiplied by the estimated average payment (Item 6).

(a)

ANC - Item 8, Assistance Not Subject to Federal Participation

The assistance not subject to federal participation (Item 8) may be estimated as follows: multiply the number of children not eligible for federal participation (Item 4) by the estimated average payment for ineligible children. (For instructions on the average payment refer to Sec. 601-42, Average Payment.) (W&IC 1560, 2140, 3075, 3460)



The maximum basis for federal participation in OAS and ANB is \$50 for each federally eligible recipient. The amount of assistance in excess of \$50 is the "excess" (Item 4, Form Ag, Bl 809). For the purpose of this report, all OAS and ANB recipients may be considered federally eligible.

In estimating the amount in excess of federal participation (Item 4), expenditures for the latest three month period may be used to determine what percentage of the total aid paid was in excess of \$50 for each recipient.

Example

<u>Month</u>	<u>Total Aid Paid</u>	<u>Amount of Excess</u>	(a)
July	\$ 378,291.26	\$ 115,076.28	
August	378,126.11	115,030.96	
September	379,000.62	115,291.00	
Total	<u>\$1,135,417.99</u>	<u>\$ 345,398.24</u>	

$$\$345,398.24 \div \$1,135,417.99 = 30.42\%$$

If the estimated total assistance for the first month were \$418,900, the assistance in excess of \$50 for each recipient would be \$418,900 x .3042 or \$127,429.38.

The entry for Item 4 shall be rounded to the nearer whole dollar (e.g., \$127,429.00). (See Sec. 601-99, Form Ag 809) (W&IC 2140, 3075)

(a) Instructions revised to agree with revised Forms Ag, Bl, 809.

OAS, ANB - Item 5

The Federal Government participates in OAS and ANB payments up to \$50 for each eligible recipient. The amount of aid granted over \$50 is in excess of federal participation (Item 4). The entry for Item 5, Federal Participation Base, is the difference between total assistance (Item 3) and assistance in excess of \$50 for each recipient (Item 5).

The entry in Item 5, Federal Participating<sup>SN</sup> Base, may not exceed the total number of recipients (Item 1) times \$50.

Example 1

	OAS	ANB
Total Assistance (Item 3, first month)	\$ 418,900	\$ 18,860
Excess (Item 4)	127,429	7,360
Federal Participation Basis (Item 5)	\$ 291,471	\$ 11,500

ANC - Item 9

The Federal Government participates in ANC payments up to \$27 for one child, \$18 for each additional eligible child in the same family budget unit, and \$27 for each eligible needy relative.

Information from the latest report on Form CA 237, Monthly Statistical Report on ANC, may be used in estimating the federal participating base. If 43% of your children were "first" children in the family budget unit, the federal participating base for this group cannot exceed 43% of the product of \$27 times the number of eligible children (Item 1). The federal participating base for the remainder of the eligible children (57% of Item 1) cannot exceed \$18 for each child. Federal participation for the eligible needy relatives (Item 2) is computed at \$27 each.

(a)

Example 2

	First Month
Item 1, Number of Children Eligible for Federal Participation	1,190
Item 2, Number of Needy Relatives Eligible for Federal Participation	340
Item 3, Total Eligible Children and Needy Relatives	1,530

If there were, for example, 1,190 eligible children in 512 family units, the maximum federal participating base for this group would be as follows:

43% x 1,190 = 512 first children  
57% x 1,190 = 678 other children

512 x \$27 = \$13,824  
678 x \$18 = \$12,204  
Total \$26,028

340 eligible needy relatives x \$27 = 9,180  
Federal Participating Base (Item 9) \$35,208

(W&IC 1560, 2140, 3075)

(a) Instructions revised to agree with revised Forms Ag, Bl, CA 809



The Administrative Expenditures Worksheets (Form DFA 64) should be used as a guide in estimating the amount of administrative expense.

For OAS and ANB (Forms Ag, Bl 809) enter the estimated total administrative expense under Item 6. For ANC (Form CA 809) enter the estimated administration subject to federal matching under Item 10 and the estimated administration not subject to federal matching under Item 11. Item 12 is the total of the amounts in Items 10 and 11. (W&IC 1560, 2140, 3075) (a)

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(a) Instructions revised to agree with revised Forms Ag, Bl, CA 809



OAS and ANB - Item 7

The short formula for determining the federal portion of OAS or ANB grant for each recipient is as follows:

$\$5$  plus  $1/2$  of the grant up to  $\$50$

The maximum federal payment for each OAS and ANB recipient is  $\$30$ .

To determine the estimated federal funds for assistance (Item 7) multiply the number of recipients (Item 1) by  $\$5$  and add to that product one-half of the federal participating basis (Item 5). The amount of federal funds for assistance may not exceed  $\$30$  times the estimated total number of recipients shown in Item 1.

Example 1

$$\begin{aligned} \$5 \times \text{Item 1} &= \$5 \times 5,900 = \$ 29,500.00 \\ 1/2 \text{ of Item 5} &= \$291,471 \div 2 = \underline{145,735.50} \\ \text{Item 7} &= \$ 175,235.50 \end{aligned}$$

(See Sec. 601-99, Form AG 809)

ANC - Item 13

The short formula for determining the federal portion of an ANC grant for a family consisting of two eligible children and one eligible needy relative is as follows:

(a)

$\$3$  plus  $1/2$  of the assistance grant up to  $\$27$  for the first child,  
 $\$18$  for the other child in the family, and  $\$27$  for the eligible needy relative.

$$\begin{aligned} \$3 \div (\$27 \div 2) &= \$16.50 && \text{First child} \\ \$3 \div (\$18 \div 2) &= 12.00 && \text{Other child} \\ \$3 \div (\$27 \div 2) &= \underline{16.50} && \text{Needy relative} \\ &&& \$45.00 \end{aligned}$$

The maximum federal payment for two eligible children and an eligible needy relative in the same family unit is  $\$45$ . Each additional federally eligible child in the family increases the federal portion by  $\$3$  plus one-half of the grant up to  $\$18$ .

To determine the estimated federal funds for assistance (Item 13) multiply the total eligible children and needy relatives (Item 3) by  $\$3$  and add to that product one-half of the federal participating base (Item 9).

Example 2

$$\begin{aligned} \text{Item 3} &= 1,530 \\ \text{Item 9} &= \$35,208 \\ 1,530 \times \$3 &= \$ 4,590 \\ \$35,208 \div 2 &= \underline{17,604} \\ \text{Item 13} &= \$22,194 \end{aligned}$$

(See Sec. 601-99, Form CA 809) (W&IC 1560, 2140, 3075)

(a) Instructions revised to agree with revised Forms Ag, Bl, CA 809.

For OAS and ANB Item 8, Federal Funds for Administration, is one-half of the amount reported in Item 6, Total Administrative Expense.

(a)

For ANC Item 14, Federal Funds for Administration, is one-half of the amount reported in Item 10, Administration Subject to Federal Matching. (W&IC 1560, 2140, 3075)



601-49 TOTAL FEDERAL FUNDS ESTIMATED  
(Rev.) . OAS, ANB, ANC

601-49

For OAS and ANB Item 9, Total Federal Funds Estimated, is the sum of Item 7, Federal Funds for Assistance, and Item 8, Federal Funds for Administration.

(a)

For ANC Item 15, Total Federal Funds Estimated, is the sum of Item 13, Federal Funds for Assistance, and Item 14, Federal Funds for Administration.  
(W&IC 1560, 2140, 3075)

(a) Instructions revised to agree with revised Form Ag, B1, CA 809.

OAS - Item 10

For OAS Item 10, State Funds for Assistance, is six-sevenths of the difference between total assistance (Item 3) and the amount to be paid by the Federal Government (Item 7).

Example 1

Total Assistance (Item 3)	\$418,900.00
Less Federal Funds for Assistance (Item 7)	- 175,235.50
Difference	\$243,664.50

State Share (Item 10) =  $6/7$  of \$243,664.50 = \$208,855.29

(See Sec. 601-99, Form Ag 809)

ANB - Item 10

For ANB Item 10, State Funds for Assistance, is three-fourths of the difference between total assistance (Item 3) and the amount to be paid by the Federal Government (Item 7).

Example 2

Total Assistance (Item 3)	\$ 18,860.00
Less Federal Funds for Assistance (Item 7)	- 6,900.00
Difference	\$ 11,960.00

State Share (Item 10) =  $3/4$  of \$ 11,960 = \$ 8,970.00

(See Sec. 601-99, Form B1 809)

APSB - Item 3

For APSB Item 3, State General Fund (State Share), is five-sixths of total assistance (Item 2).

Example 3

Total Assistance (Item 2)	\$ 1,700.00
State Share (Item 3) = $5/6$ of \$ 1,700	= \$ 1,416.67

(See Sec. 601-99, Form APSB 809)

ANC - Item 16

For ANC Item 16, State Funds for Assistance, is two-thirds of the difference between total assistance (Item 7) and the amount to be paid by the Federal Government (Item 13).

Example 4

Total Assistance (Item 7)	\$ 66,650.00
Less Federal Funds for Assistance (Item 13)	- 22,194.00
Difference	\$ 44,456.00

State Share (Item 16) =  $2/3$  of \$ 44,456 = \$ 29,637.33

(See Sec. 601-99, Form CA 809) (W&IC 1554, 1560, 2140, 2187, 3075, 3087.1, 3460, 3480)

(a) Instructions revised to agree with revised Form Ag, B1, APSB, CA 809)

(a)



Before federal advances are made to the state, the Federal Government requires certification that county shares of assistance and administrative expense have been appropriated or made available. The certification of availability of county funds shall be made by the county auditor.

The county's share of assistance or administration is the balance of the total assistance or administration after deducting the portions to be paid by the federal and state governments.

Example 1 - OAS - Assistance

Total Assistance (Item 3)

First month	\$418,900.00	
Second month	422,450.00	
Third month	<u>426,000.00</u>	\$1,267,350.00

Less Federal Funds for Assistance (Item 7)

First month	\$175,235.50	
Second month	176,720.50	
Third month	<u>178,205.50</u>	\$ 530,161.50
		<u>\$ 737,188.50</u>

Less State Funds for Assistance (Item 10)

First month	\$208,855.29	
Second month	210,625.28	
Third month	<u>212,395.29</u>	\$ 631,875.86

(a)

Balance to be available from county funds for assistance	\$ 105,312.64
---	---------------

Example 2 - OAS - Administration

Total Administrative Expense (Item 6)

First month	\$ 14,000.00	
Second month	14,000.00	
Third month	<u>14,000.00</u>	\$ 42,000.00

Less Federal Funds for Administration (Item 8)

First month	\$ 7,000.00	
Second month	7,000.00	
Third month	<u>7,000.00</u>	\$ 21,000.00

Balance to be available from county funds for administration	\$ 21,000.00
---	--------------

(a) Instructions revised to agree with revised Forms Ag, B1, CA 809. Material previously in another section.

Example 3 - ANC - Assistance

## Total Assistance (Item 7)

First month	\$ 66,650.00	
Second month	70,090.00	
Third month	<u>73,530.00</u>	\$ 210,270.00

## Less Federal Funds for Assistance (Item 13)

First month	\$ 22,194.00	
Second month	23,424.00	
Third month	<u>24,586.50</u>	\$ 70,204.50
		<u>\$ 140,065.50</u>

## Less State Funds for Assistance (Item 16)

First month	\$ 29,637.33	
Second month	31,110.67	
Third month	<u>32,629.00</u>	\$ 93,377.00

Balance to be available from  
county funds for assistance

\$ 46,688.50

(a)

Example 4 - ANC - Administration

## Total Administration (Item 12)

First month	\$ 5,700.00	
Second month	5,700.00	
Third month	<u>5,700.00</u>	\$ 17,100.00

## Less Federal Funds for Administration (Item 14)

First month	\$ 2,800.00	
Second month	2,800.00	
Third month	<u>2,800.00</u>	\$ 8,400.00

Balance to be available from county  
funds for administration

\$ 8,700.00

(W&amp;IC 1560, 2140, 3075)

(a) Instructions revised to agree with revised Forms Ag, Bl, CA 809  
Material previously in another section.



Since there is a limited time for the SDSW to audit the Claims for Estimated Quarterly Expenditures, it is imperative that the estimates be as complete and accurate as possible.

If the signature of the chairman of the board of supervisors cannot be obtained in time for the estimates, Forms Ag, Bl, APSB, CA 809, to reach the SDSW by the due date, the duplicate copy of each estimate shall be submitted immediately without the chairman's signature and, as soon as the signature is obtained, the original shall be submitted to SDSW. Every effort shall be made to obtain all signatures immediately, since the request for federal funds cannot be submitted by the SDSW to Washington until all county reports are complete.

(a)

Since the signature of the director or official in charge is signed under oath, a proxy signature is not acceptable. (W&IC 1560, 2140, 3075, 3460)

(a) Clarification - Material previously in another section.

A statement of cash advances (for each program) will be forwarded to each county with the first month's advance for a quarter.

The statement shows the monthly estimated amounts of federal and state funds approved by the SDSW, the increases or decreases to be made on the advances for each month, and the amounts of federal and state money which the county may expect to receive for each month. It also shows the computation used by the SDSW in determining the adjustments (on the current advances) for the second prior quarter's under- or over-estimation.

(a)

The county financial records should be reconciled to the Statement of Cash Advances to ascertain that the state and county records are in agreement. Any differences should be cleared with the SDSW immediately. Any discrepancy between the warrant amounts and the amounts shown on the statements of cash advances, or any unreasonable delay in receiving the advances, shall be called to the attention of the SDSW promptly. (W&IC 1560, 2140, 3075, 3460)

(a) Clarification



## CLAIM FOR ESTIMATED QUARTERLY EXPENDITURES

FROM ~~XXXXXX~~ January 1 COUNTY March 31  
FOR THE QUARTER BEGINNING \_\_\_\_\_, 19\_\_\_\_ AND ENDING \_\_\_\_\_, 19\_\_\_\_

COMPUTATION OF BASIS FOR ASSISTANCE FUNDS	FIRST MONTH COL. 1	SECOND MONTH COL. 2	THIRD MONTH COL. 3
1. TOTAL NUMBER OF RECIPIENTS . . . . .	5,900	5,950	6,000
2. AVERAGE PAYMENT. . . . .	71.00	71.00	71.00
3. TOTAL ASSISTANCE (ITEM 1 X ITEM 2) . . . . .	418,900.00	422,450.00	426,000.00
4. ASSISTANCE IN EXCESS OF \$50 FOR EACH RECIPIENT. . . . .	127,429.00	128,509.00	129,589.00
5. FEDERAL PARTICIPATION BASIS (ITEM 3 LESS ITEM 4) \$	291,471.00	293,941.00	296,411.00
6. TOTAL ADMINISTRATIVE EXPENSES . . . . .	14,000.00	14,000.00	14,000.00
7. FEDERAL FUNDS FOR ASSISTANCE (ITEM 1 TIMES \$5 PLUS 1/2 OF ITEM 5) . . . . .	175,235.50	176,720.50	178,205.50
FOR STATE . . . . .	\$	\$	\$
USE ONLY . . . . .	\$	\$	\$
8. FEDERAL FUNDS FOR ADMINISTRATION (1/2 OF ITEM 6) . . . . .	7,000.00	7,000.00	7,000.00
FOR STATE . . . . .	\$	\$	\$
USE ONLY . . . . .	\$	\$	\$
9. TOTAL FEDERAL FUNDS ESTIMATED (ITEM 7 PLUS ITEM 8) \$	182,235.50	183,720.50	185,205.50
FOR STATE . . . . .	\$	\$	\$
USE ONLY . . . . .	\$	\$	\$
10. STATE FUNDS FOR ASSISTANCE (6/7 OF (ITEM 3 LESS ITEM 7) = STATE) . . . . .	208,855.29	210,625.28	212,395.29
FOR STATE . . . . .	\$	\$	\$
USE ONLY . . . . .	\$	\$	\$

I HEREBY CERTIFY, THAT THE COUNTY SHARE HAS BEEN APPROPRIATED OR MADE AVAILABLE FROM COUNTY FUNDS.

ASSISTANCE \$ 105,312.64 ADMINISTRATION \$ 21,000.00 <sup>three months</sup>  
(TOTAL ~~three months~~ three months AND 3, ITEM 3 MINUS ITEMS 7 AND 10) (TOTAL COLS. 1, 2 AND 3, ITEM 6 MINUS ITEM 8)  
STATE OF CALIFORNIA )  
COUNTY OF XXXXXX ) ss. M. R. Paine  
Alice Doe SIGNATURE OF COUNTY AUDITOR

BEING DULY SWORN, DEPOSES AND SAYS: THAT HE IS THE COUNTY OFFICIAL RESPONSIBLE FOR THE ADMINISTRATION OF OLD AGE SECURITY IN AND FOR THE SAID COUNTY; THAT THE ABOVE IS A TRUE AND CORRECT STATEMENT OF THE ESTIMATED EXPENDITURES FOR SECURITY UNDER THE OLD AGE SECURITY LAW, CHAPTER 1 OF DIVISION 3 OF THE WELFARE AND INSTITUTIONS CODE, AND AMENDMENTS THERETO, AND TITLE I OF THE SOCIAL SECURITY ACT, AND AMENDMENTS THERETO, AND THAT THE PROVISIONS OF SAME WILL BE COMPLIED WITH IN THE EXPENDITURE OF THESE FUNDS.

SUBSCRIBED AND SWORN TO BEFORE ME THIS 9 DAY  
October 1951  
OF Mae Brown  
Deputy County Clerk  
TITLE \_\_\_\_\_

Alice Doe  
SIGNATURE OF DIRECTOR OR OFFICIAL IN CHARGE  
Director - Dept. of Social Welfare  
TITLE \_\_\_\_\_  
APPROVED R. R. Richards  
CHAIRMAN, BOARD OF SUPERVISORS

ADVANCE APPROVED STATE DEPARTMENT OF SOCIAL WELFARE

ACCOUNTING OFFICER	
BY _____	DATE _____



## AID TO NEEDY BLIND

Forward TWO copies to  
State Department of Social Welfare  
Sacramento 14, California

## CLAIM FOR ESTIMATED QUARTERLY EXPENDITURES

FROM XXXXXX COUNTY

FOR THE QUARTER BEGINNING January 1, 19 AND ENDING March 31, 19

	FIRST MONTH	SECOND MONTH	THIRD MONTH
1. TOTAL NUMBER OF RECIPIENTS. . . . .	230	240	250
2. AVERAGE PAYMENT . . . . .	\$ 82.00	\$ 82.00	\$ 82.00
3. TOTAL ASSISTANCE (ITEM 1 x ITEM 2). . . . .	\$ 18,860.00	\$ 19,680.00	\$ 20,500.00
4. ASSISTANCE IN EXCESS OF \$50 FOR EACH RECIPIENT. . . . .	\$ 7,360.00	\$ 7,680.00	\$ 8,000.00
5. FEDERAL PARTICIPATION BASE (ITEM 3 LESS ITEM 4) . . . . .	\$ 11,500.00	\$ 12,000.00	\$ 12,500.00
6. TOTAL ADMINISTRATION EXPENSE. . . . .	\$ 800.00	\$ 800.00	\$ 800.00
7. FEDERAL FUNDS FOR ASSISTANCE (ITEM 1 TIMES \$5 PLUS 1/2 OF ITEM 5). . . . .	\$ 6,900.00	\$ 7,200.00	\$ 7,500.00
FOR STATE . . . . .	\$	\$	\$
USE ONLY. . . . .	\$	\$	\$
8. FEDERAL FUNDS FOR ADMINISTRATION (1/2 OF ITEM 6). . . . .	\$ 400.00	\$ 400.00	\$ 400.00
FOR STATE . . . . .	\$	\$	\$
USE ONLY. . . . .	\$	\$	\$
9. TOTAL FEDERAL FUNDS ESTIMATED (ITEM 7 PLUS ITEM 8). . . . .	\$ 7,300.00	\$ 7,600.00	\$ 7,900.00
FOR STATE . . . . .	\$	\$	\$
USE ONLY. . . . .	\$	\$	\$
10. STATE FUNDS FOR ASSISTANCE (3/4 OF (ITEM 3 LESS ITEM 7) = STATE) . . . . .	\$ 8,970.00	\$ 9,360.00	\$ 9,750.00
FOR STATE . . . . .	\$	\$	\$
USE ONLY. . . . .	\$	\$	\$

I HEREBY CERTIFY, that the county share has been appropriated or made available from county funds.

Assistance \$ 9,360.00  
(Total three months, Item 3 minus Items 7 and 10)Administration \$ 1,200.00  
(Total Three months, Item 6 minus Item 8)STATE OF CALIFORNIA )  
County of XXXXXX ) ss.

Alice Doe

Signature of County Auditor

being duly sworn, deposes and says: That he is the county official responsible for the administration of Aid to the Blind in and for the said county; that the above is a true and correct statement of the estimated expenditures under Chapter 1 of Part 1 of Division 5 of the Welfare and Institutions Code, and amendments thereto, and Title X of the Social Security Act, and amendment thereto, and that the provisions of same will be complied with in the expenditures of these funds.

Subscribed and sworn to before me this 9 day  
of October 1951Signature of Director or Official in Charge  
Title Director - Dept. of Social Welfare

Title Deputy County Clerk

Approved Chairman, Board of Supervisors

FOR STATE USE ONLY

ADVANCE APPROVED BY SDSW ACCOUNTING OFFICER DATE



## CLAIM FOR ESTIMATED QUARTERLY EXPENDITURES

From XXXXXX County

FOR AID TO PARTIALLY SELF-SUPPORTING BLIND

For the Quarter Beginning January 1, 19  , and Ending March 31, 19  .

	FIRST MONTH Col:--1--	SECOND MONTH Col:--2--	THIRD MONTH Col:--3--
1. Total Number of Recipients . . . . .	20	20	20
2. Total Assistance . . . . .	\$ 1,700.00	\$ 1,700.00	\$ 1,700.00
3. State General Fund (State Share) (5/6 of Item 2). . . . .	\$ 1,416.67	\$ 1,416.67	\$ 1,416.67
FOR STATE . . . . .	\$	\$	\$
USE ONLY. . . . .	\$	\$	\$

STATE OF CALIFORNIA

County of XXXXXX

)ss

I, Alice Doe, being duly sworn, depose and say: That I am the county official responsible for the administration of Aid to the Partially Self-supporting Blind in and for the said county; that the above is a true and correct statement of the estimated expenditures under Chapter 3 of Part 1 of Division 5 of the Welfare and Institutions Code, and amendments thereto, and that the provisions of same will be complied with in the expenditures of these funds. Affiant requests that the State grant shown above be advanced to the said county subject to adjustment by the State Department of Social Welfare.

Subscribed and sworn to before me this   9  day of October, 19 51 
Mae Brown  
 Title: Deputy County Clerk
Alice Doe  
 Signature of Director or Official in Charge
Title: Director-Dept. of Social Welfare
 Approved: R. B. Richards  
 Chairman, Board of Supervisors

 ADVANCE APPROVED - STATE DEPARTMENT  
 OF SOCIAL WELFARE

Accounting Officer

Date: \_\_\_\_\_

C A S H

FROM XXXXXX COUNTY

FOR THE QUARTER BEGINNING January 1, 19 AND ENDING March 31, 19

	FIRST MONTH	SECOND MONTH	THIRD MONTH
1. Number of children eligible for federal participation.....	1,190	1,224	1,285
2. Number of needy relatives eligible for federal participation	340	386	405
3. Total eligible children and needy relatives (Items 1 & 2).	1,530	1,610	1,690
4. Number of children not eligible for federal participation.	20	20	20
5. Total all children and needy relatives (Items 3 & 4).....	1,550	1,630	1,710
6. Average payment (for eligible and ineligible children and eligible needy relatives).....	\$ 43.00	\$ 43.00	\$ 43.00
7. Total assistance (Item 5 x Item 6).....	\$ 66,650.00	\$ 70,090.00	\$ 73,530.00
8. Assistance not subject to federal participation.....	\$ 860.00	\$ 860.00	\$ 860.00
9. Federal participating base (assistance up to \$27 for one child; \$18 for each additional child, and \$27 for each eligible needy relative).....	\$ 35,208.00	\$ 37,188.00	\$ 39,033.00
10. Administration subject to federal matching.....	\$ 5,600.00	\$ 5,600.00	\$ 5,600.00
11. Administration not subject to federal matching.....	\$ 100.00	\$ 100.00	\$ 100.00
12. Total administration (Items 10 & 11).....	\$ 5,700.00	\$ 5,700.00	\$ 5,700.00
13. Federal funds for assistance (Item 3 times \$3 plus 1/2 of Item 9).....	\$ 22,194.00	\$ 23,424.00	\$ 24,586.50
FOR STATE.....	\$	\$	\$
USE ONLY.....	\$	\$	\$
14. Federal funds for administration (1/2 of Item 10).....	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00
FOR STATE.....	\$	\$	\$
USE ONLY.....	\$	\$	\$
15. Total federal funds estimated (Item 13 plus Item 14).....	\$ 24,994.00	\$ 26,224.00	\$ 27,386.50
FOR STATE.....	\$	\$	\$
USE ONLY.....	\$	\$	\$
16. State funds for assistance (2/3 of (Item 7 minus Item 13) = State).....	\$ 29,637.33	\$ 31,110.67	\$ 32,629.00
FOR STATE.....	\$	\$	\$
USE ONLY.....	\$	\$	\$

I HEREBY CERTIFY, that the county share has been appropriated or made available from county funds.

Assistance \$ 46,688.50  
(Total three months, Item 7 minus Items 13 and 16)

Administration \$ 8,700.00  
(Total three months, Item 12 minus Item 14)

STATE OF CALIFORNIA

County of XXXXXX } ss.

M. R. Paine

Signature of County Auditor

Alice Doe being duly sworn, deposes and says: That he is the county official responsible for the administration of Aid to Needy Children in and for the said county; that the above is a true and correct statement of the estimated expenditures under the provisions of Chapter 1 of Part 2 of Division 2 of the Welfare and Institutions Code, and amendments thereto, and Title IV of the Social Security Act, and amendments thereto, and that the provisions of same will be complied with in the expenditure of these funds. Affiant requests that the Federal and State grants shown above be advanced to the said county, subject to adjustment by the State Department of Social Welfare.

Subscribed and sworn to before me this 9 day

of October 51 19

Mae Brown

Title Deputy County Clerk

Alice Doe

Signature of Director or Official in Charge

Director - Dept. of Social Welfare

Approved R. R. Richards

Chairman, Board of Supervisors

FOR STATE USE ONLY

ADVANCE APPROVED BY SDSW ACCOUNTING OFFICER DATE



Payments of aid shall be made by county warrant monthly in advance, except payments of ANC for children who are living in boarding homes or institutions. Payment of ANC for such children may be made to the boarding home or institution either in advance or subsequent to the furnishing of care and support. One warrant may be issued to each boarding home or institution covering all children in the home to whom board and care is given during the month, or a separate warrant may be issued for each child or family group. (See Secs. 610-40, Recipient of Payment, 611-60, Initial Payments, and 361-25, Retroactive Aid Payments by County.)

Warrants shall be delivered directly to the recipient through the United States mail to the address at which he customarily receives mail unless the recipient specifically requests delivery in some other reasonably feasible manner, in which event delivery shall be made to him according to his instructions.

The action necessary to satisfy the payment requirement is effected by deposit of depositing the warrant, properly stamped and addressed, in the United States mail, or by delivery to the recipient or payee by an authorized representative of the county. Enclosures with warrants so mailed or delivered are restricted to those matters relating limited to information related to administration of the program to which the warrant refers aid of which the payee is a recipient. Any other material which a county may desire to enclose with a warrant requires prior SDSW approval.

Advance payment means delivery of the warrant on or as near as possible to the first business day of the month as compliance with state and county regulations will permit; however, the warrant should not be deposited in the mail for delivery prior to the first day of each respective month. (a)

Warrants required to be paid monthly in advance shall reach recipients by postal delivery on the first day, but not prior to the first day, of the month for which payment is made, or as soon thereafter as possible. In order to accomplish this, warrants may be mailed prior to the first of the month, but not prior to the last working day of the previous month. delivery schedules and make arrangements, where feasible, with local postmasters for release of warrants to the post office sufficiently in advance of the first day of the month to result in postal delivery on the first day of the month but not earlier. (a)

All warrants shall be clearly marked to show the date of issuance. If the delivery date is other than the date of issuance shown on the warrant, the date of delivery shall be shown either on the warrant or on a separate record which shall be available for inspection by the SDSW.

If a recipient is eligible on the first day of the month, he is entitled to receive payment for the full month, even though his eligibility status changes at some time during the month. (See Sec. 611-00, Payment When Grantee Dies.) (a)

The state, federal, and county portions of the aid shall be paid at one time by a single warrant. (W&IC 1550, 1552, 1556.5, 1558, 1560, 2140, 2160.6, 2182, 2182.1, 2183, 2183.9, 3044, 3075, 3082, 3084, 3444, 3460; FSS-Admin.)

(a) Clarification

Sacramento  
June 15, 1951

AID TO THE BLIND MANUAL LETTER NO. 2

The attached revisions numbered 1 through 4 are to be entered in your copy of the Manual of Policies and Procedures - Aid to the Blind and the revision numbers canceled on the inside of the Manual cover.

These revisions were adopted by the Social Welfare Board on May 25, 1951, and are effective July 1, 1951.

Sec. B-582, as revised, provides that if a responsible relative provides a recipient with free rent in a separate living unit, the relative shall be credited with a contribution equal to the normal rental value of the property.

Sec. B-615 has been revised to include the provisions of Department Bulletin No. 457A regarding allowances for eyeglasses, and to specify maximum amounts to be allowed for dental care. The provisions with respect to dental care become effective July 1, 1951. These maxima do not apply in cases in which a special need for dental care has already been established.

Department Bulletin No. 457A is obsolete insofar as ANB is concerned.

FILED  
In the Office of the Secretary of State  
of the State of California

MAY 31 1951  
At 3 o'clock P.M.  
FRANK M. JORDAN, Secretary of State  
By *Edna J. Sargent* Deputy



The statutes provide that the following relatives of an applicant or recipient are legally responsible for his support if they are living in this state and are financially able to assume such support, either in whole or in part: husband or wife, parent, or adult child. The law authorizes (but does not require) the county to take recovery action against such relatives if financially able to make a contribution toward the support of the blind person.

The county shall determine the pecuniary ability of all legally responsible relatives (spouse, parent, or adult children) residing within California, except any such relatives who are receiving public assistance, to contribute to the support of the applicant or recipient. (See Sec. B-570, Contribution from Legally Responsible Relatives; Sec. B-546, Offer of Support as Income; Sec. B-234, Determination of Continuing Eligibility.)

The granting or continued receipt of aid shall not be contingent upon the filing of signed statements by responsible relatives or upon recovery of aid. Aid shall be granted to qualified persons regardless of whether they have responsible relatives able, though not willing, to support or to contribute to the support of the person. (See Sec. B-584, Statement of Responsible Relative.)

If the county is unable to secure information regarding the pecuniary ability of the responsible relative to support, the applicant shall be interviewed on the following points:

1. His knowledge, if any, regarding the financial status of the responsible relative.
2. Date of applicant's last contact with the responsible relative.
3. Pertinent information concerning family relationships or attitudes that may prevent county from securing information from the responsible relative concerning his pecuniary ability to support.

All efforts made or procedures followed in determining pecuniary ability of responsible relatives or in securing support from responsible relatives shall be recorded in the case record.

#### Financial Obligations of Relatives

In determining pecuniary ability of relatives, the following items shall be taken into consideration:

1. Family responsibilities, including adequate support and care of dependents.

(Section Continued on Next Page)

2. Expenses incident to employment.
3. Expense necessary for operation of commercial or agricultural enterprise, including the cost of livestock, taxes, interest, and principal payments on encumbrances; necessary business and operating expenses which are past due and unpaid, representing an obligation against the enterprise; depreciation; expenditures necessary to maintain the capital investment; etc.
4. Legal obligations and contracts already incurred; debts accumulated; medical or dental bills, with special regard for any additional health problems in the family.
5. All regular monthly expenditures (including any periodic insurance premium payments) necessary to maintain their standard of living in the community.
6. Federal and state income taxes.
7. The expense to the relative of providing the applicant or recipient with free rent in a separate dwelling, apartment, etc. The relative shall be credited with a contribution in the amount which rental of the property would normally provide rather than the value placed thereon as free rent to the recipient. (See Sec. B-544) (W&IC 3075, 3088, 3088.1, 3460, 3474, 3474.1; AGO NS863; SDAA)

(a)



Portions of this section not relative  
to the change are omitted from the  
agenda.

#### H. Dental Care

The cost of dental care (i.e., extractions, fillings, treatment, X-ray examination, bridgework, dentures, and repair of dentures) shall be allowed.

The actual cost of dental care represents a special need not to exceed the maximum allowances set forth below.

Dentures, full upper or lower . . . . .	\$80.00	
Dentures, partial upper or lower . . . . .	68.00	
Duplication, upper or lower, full or partial dentures . . . . .	30.00	
Repairs, broken dentures (no tooth involved) . .	7.50	
Replacing broken teeth in dentures . . . . .	5.00	(each tooth)
Extractions, single tooth . . . . .	4.00	
Extractions, full mouth . . . . .	25.00	
Bridge work . . . . .	20.00	
Prophylaxis treatment . . . . .	6.00	(per treatment)
Pyorrhea treatment . . . . .	6.00	(per treatment)
Amalgam or cement filling . . . . .	6.00	(per tooth)
<u>X-Ray examinations</u>		
Single first film . . . . .	2.00	
Additional film . . . . .	1.00	
Full mouth . . . . .	10.00	

(a)

The above maximum allowances cover those dental care services recognized as a special need. A special allowance cannot be made for dental care services not included in the above list of services.

#### I. Hearing Aids

If a practitioner of the healing arts recommends the provision of a hearing aid, the cost of the hearing aid represents a special need when a further examination by an otologist verifies that the recipient will benefit from its use. An allowance not to exceed \$10 shall be made to cover the cost of the examination by the otologist. An allowance not to exceed \$175 may be made to cover the cost of the hearing aid. An exception to the maximum allowance may be made when an otologist makes a specific recommendation that a recipient can benefit only from a type of hearing aid, the cost of which exceeds \$175. <sup>an amount up to</sup> A maximum monthly allowance of \$5 shall be allowed to cover upkeep costs of hearing aids.

(Section Continued on Next Page)

J. Eyeglasses

If eyeglasses are prescribed by a physician or practitioner, the actual cost thereof represents a special need within the following maximum allowances:

Bifocal lenses and frame --\$20  
Single vision lenses and frame --\$15  
Refraction -- \$10

If a recipient already possesses adequate frames, a special allowance shall be made for lenses only. The maximum allowance for lenses is:

Bifocal lenses --\$7.50 each  
Single vision lenses -- \$5.00 each

If tinted lenses are recommended by the physician or practitioner, the additional cost not to exceed \$2 for each lens represents special need.

A special need allowance shall be made for only one pair of glasses, e.g., if reading glasses are recommended, an additional allowance cannot be made for glasses for distance vision, or for sun glasses.

The above maximum allowances do not cover state and city sales tax or carrying charges, if any. These costs, if incurred, shall be added to the above maxima.

J.K. Supplementary Services Related to Medical Needs

The cost of items listed below represents special need if prescribed by a physician or practitioner.

1. a. Laboratory service, X-rays.
- b. Eyeglasses (including charge for refraction).
2. e. Trusses, and other prosthetic appliances.
3. d. Dressings and other sickroom supplies, including wheel chairs, hospital beds, crutches, etc. (W&IC 3075, 3084)

(a) To incorporate provisions of Bul. 457-A.



Certified as a [redacted] Relation (or  
Regulations of the

Dept of Social Welfare  
(Name of State Agency)

Charles J. Hamilton  
(Signature)

Director  
(Title)

5-31-51  
(Date)

T-22

CA-2

MAIN OFFICE  
SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

Earl Warren  
Governor

STATE OF CALIFORNIA

## Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

Sacramento 14  
May 31, 1951

IN REPLY PLEASE REFER  
TO:

LOS ANGELES OFFICE  
MICHIGAN 8411  
MIRROR BUILDING  
145 SOUTH SPRING STREET  
12  
SAN FRANCISCO OFFICE  
EXBROOK 2-8751  
GRAYSTONE BUILDING  
948 MARKET STREET  
2

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare with Aid to the Blind Manual Letter No. 2.

The regulations contained in this material were approved by the State Social Welfare Board on May 25, 1951, pursuant to the powers conferred upon it by the Welfare and Institutions Code, Sections 103, 103.6, 3075 and 3460, and are filed in accordance with provisions of Section 11380 of the Government Code.

Very sincerely yours,

*Charles I. Schottland*  
Charles I. Schottland  
Director

Attachments



STATE OF CALIFORNIA  
DEPARTMENT OF SOCIAL WELFARE  
616 K STREET  
SACRAMENTO 14  
May 31, 1951

FILED  
In the Office of the Secretary of State  
of the State of California

MAY 31 1951

At 2 o'clock P.  
FRANK M. JORDAN, Secretary of State  
By *[Signature]* Deputy

DEPARTMENT BULLETIN NO. 457-B (OAS)

TO: COUNTY BOARDS OF SUPERVISORS  
COUNTY WELFARE DEPARTMENTS  
COUNTY AUDITORS

Subject: Determination of Aid Payments--Dental Care

This bulletin supersedes the provisions of Department Bulletin No. 457 relating to dental care (Item C 9(g), Page 10).

The actual cost of dental care represents a special need not to exceed the maximum allowances set forth below.

Dentures, full upper or lower	\$80.00
Dentures, partial upper or lower	68.00
Duplication, upper or lower, full or partial dentures	30.00
Repairs, broken dentures (no tooth involved)	7.50
Replacing broken teeth in dentures	5.00 (each tooth)
Extractions, single tooth	4.00
Extractions, full mouth	25.00
Bridge work	20.00
Prophylaxis treatment	6.00 (per treatment)
Pyorrhea treatment	6.00 (per treatment)
Amalgam or cement fillings	6.00 (per tooth)
X-Ray examinations	
Single first film	2.00
Additional film	1.00
Full mouth	10.00

The above maximum allowances cover those dental care services recognized as a special need. A special allowance cannot be made for dental services not included in the above list of services.

The provisions of this bulletin become effective July 1; these provisions do not apply in cases in which a special need for dental care has already been established.

Very sincerely yours,

*Charles I. Schottland*

Charles I. Schottland  
Director



MAIN OFFICE  
SACRAMENTO  
GILBERT 2-4711  
616 K STREET

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LOS ANGELES OFFICE  
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Earl Warren  
Governor

STATE OF CALIFORNIA

## Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

Sacramento 14  
May 31, 1951

IN REPLY PLEASE REFER  
TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

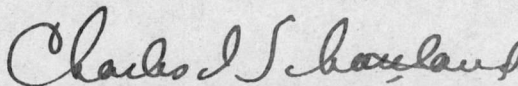
Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare.

DEPARTMENT BULLETIN NO. 457-B (OAS)

These regulations were approved by the State Social Welfare Board pursuant to the powers conferred upon it by the Welfare and Institutions Code, Sections 103, 103.6, and 2020 on May 25, 1951, and are being filed in accordance with Section 11380 of the Government Code.

Very sincerely yours,



Charles I. Schottland  
Director

Attachments

Certified as a Regulation (or as  
Regulations) of the

Dept of Social Welfare  
(Name of State Agency)

C. I. Scotland  
(Signature)

Director  
(Title)

6-29-51  
(Date)

T-22  
CH-2



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Earl Warren  
Governor

STATE HEADQUARTERS

SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

STATE OF CALIFORNIA

Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 11, 1951

ADDRESS REPLY TO:

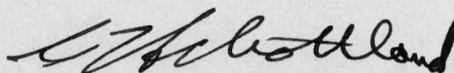
Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of Aid to the Blind Manual Letter  
No. 1.

This Manual Letter supersedes the copy of Aid to the Blind  
Manual Letter No. 1 filed with your office on April 30, 1951.  
The Manual of Policies and Procedures - Aid to the Blind filed with  
your office on April 30, 1951, constitutes the attachment for the  
Aid to the Blind Manual Letter No. 1 filed herewith.

Very sincerely yours,



Charles I. Schottland  
Director

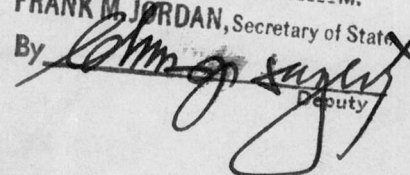
Attachment

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SACRAMENTO, CALIF.

1951 JUN 12 AM 11 53

FRANK M. JORDAN  
SECRETARY OF STATE  
STATE OF CALIFORNIA

FILED  
In the Office of the Secretary of State  
of the State of California

JUN 12 1951  
At 11:53 o'clock a.m.  
FRANK M. JORDAN, Secretary of State  
By  Deputy

STATE OF CALIFORNIA  
DEPARTMENT OF SOCIAL WELFARE

616 K STREET  
SACRAMENTO 14

June 1, 1951

**FILED**  
In the Office of the Secretary of State  
of the State of California

JUN 12 1951

At 11:53 a.m.  
FRANK M. JORDAN, Secretary of State  
By *[Signature]*

AID TO THE BLIND MANUAL LETTER NO. 1

Attached is a copy of the Manual of Policies and Procedures - Aid to the Blind which was adopted by the State Social Welfare Board on April 27, 1951, effective June 1, 1951.

This manual supersedes the following chapters of the Manual of Policies and Procedures insofar as they pertain to Aid to Needy Blind, Aid to Partially Self-supporting Blind Residents, and Prevention of Blindness:

Chapter 101 - General Provisions	Chapter 170 - Relatives
Chapter 105 - Age	Chapter 180 - Blindness
Chapter 120 - Residence	Chapter 185 - Prevention of Blindness
Chapter 130 - Real Property	Chapter 200 - Applications
Chapter 140 - Personal Property	Chapter 230 - Investigation and Decision
Chapter 150 - Income	Chapter 350 - Continuing Services
Chapter 155 - Amount of Grant	Chapter 700 - State Case Numbers
Chapter 160 - Institution Inmates	

Regulations applicable in Aid to the Blind with respect to welfare personnel standards, social data reporting, fair hearings, and statistical and financial procedures are contained in the following chapters of the integrated Manual of Policies and Procedures except as they may be superseded by current department bulletins:

Manual

Chapter 070 - Welfare Personnel Standards  
Chapter 285 - Social Data Record  
Chapter 325 - Fair Hearing  
Chapter 500 - Statistical Procedures  
Chapter 600 - Financial Procedures

Current Bulletins Applicable in Aid to the Blind

269	392	416C	430B	440	454
269A	394	423	430D	440A	455
319	399	423A	430E	440B	456
371	405	427	431	446	457A
388D	406	430	434	448	
388D Supl.	408	430A	438	451	



The following sections in Chapter 600, Financial Procedures, insofar as they relate to Aid to the Blind, have been incorporated in the Aid to the Blind Manual; these sections are also current in the integrated Manual.

610-10	610-80	611-70	645-31	671-27
610-20	610-90	611-80	670-75	671-30
610-30	611-00	611-90	670-77	671-31
610-40	611-20	611-95	670-79	671-50
610-50	611-30	612-00	671-20	674-00
610-60	611-50	627-10	671-25	674-05
610-70	611-55	627-30	671-26	
610-75	611-60	645-00		

The following department bulletins are obsolete:

400; 413; 420; 426; 436; 437; 443

The provisions of the following department bulletins are obsolete insofar as they relate to Aid to the Blind since these provisions have been incorporated in the Aid to the Blind Manual:

397; 401; 457

The following provisions in the Aid to the Blind Manual constitute changes from policy contained in the Manual of Policies and Procedures:

1. Making the notarization of Form Bl 206, Recipient's Affirmation of Eligibility, mandatory instead of optional, in view of the statutory provision regarding the sworn statements of the applicant or recipient as prima facie evidence. (Sec. B-234-C)
2. In redeterminations of eligibility, eliminating the need for further eye examinations when both eyes have been removed. (Sec. B-255)
3. Considering income tax refunds as personal property. (Sec. B-457-10b)
4. In APSB, considering a recipient ineligible if at the time of the annual redetermination of eligibility he is found to have a regular monthly income of \$168.33. (Sec. B-542)
5. Requiring the recording of oral requests for restorations. (Sec. B-651)
6. Reducing the number of forms to be submitted to SDSW. (Sec. B-666; B-703)
7. Eliminating the requirement that copies of documents sent in inter-county transfers be certified. (Sec. B-703)

In accordance with regulations adopted by the State Social Welfare Board on April 30, 1943, one copy of the manual is to be kept current in the office of each county welfare department for the use of the general public. It shall be labelled "For Public Use."

WHEREAS, the continuous testing program was authorized on a trial basis on January 25, 1951; and

WHEREAS, after approximately five months of trial certain operating problems have arisen as a result of the administration of the continuous testing program; and

WHEREAS, the Merit System Advisory Committee and a special sub-committee have held several meetings to discuss these operating problems which have arisen as a result of the continuous testing program; and

WHEREAS, the Merit System Advisory Committee has summarized two recommendations for the consideration of the State Social Welfare Board for modification of the continuous testing program;

WHEREFORE BE IT RESOLVED:

1. That the State Social Welfare Board approves the recommendations of the Merit System Advisory Committee that the Merit System Examining Agency be authorized to permit personnel departments of any county properly equipped and staffed, to administer Merit System examinations under the supervision and direction of the Merit System Examining Agency;
2. That the present continuous testing program for Group I classes shall be continued to be administered by the Employment Service but that every effort be made by the Merit System Examining Agency and the State Department of Social Welfare to simplify the present procedures for the requesting and certification of personnel for all Group I classes; and
3. That the Merit System Examining Agency be directed to submit a schedule of examinations for all classes within the budgetary allotment and not utilizing the continuous testing program.

**FILED**  
In the Office of the Secretary of State  
of the State of California

JUN 29 1951  
3:20 P  
At \_\_\_\_\_ o'clock \_\_\_\_\_ M.  
FRANK M. JORDAN, Secretary of State  
By *[Signature]* Deputy



Certified as a Regulation or as  
Regulations) of the

Dept of Social Welfare  
(Name of State Agency)

C. I. Schattland  
(Signature)

Director  
(Title)

6-29-57

(Date)

AREA OFFICES

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MICHIGAN 8411  
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Earl Warren  
Governor

STATE HEADQUARTERS

SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

STATE OF CALIFORNIA

Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 29, 1951

ADDRESS REPLY TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of the following regulations issued by the State Department of Social Welfare.

STATE SOCIAL WELFARE BOARD RESOLUTION - Budget Pricings  
of Family Needs in ANC  
STATE SOCIAL WELFARE BOARD RESOLUTION - Continuous  
Testing Program

These resolutions were approved by the State Social Welfare Board pursuant to the powers conferred upon it by the Welfare and Institutions Code under Sections 103, 103.5, 119.5, 119.6, and 1511 on June 28, 1951, and are being filed in accordance with Section 11380 of the Government Code.

Very sincerely yours,

*C. I. Schottland*

Charles I. Schottland  
Director

Attachments



WHEREAS recent legislative changes provide that the budget pricings of family needs in the ANC program shall be revised not oftener than semi-annually, and

WHEREAS the legislative changes also provide that counties shall have a period of three months in which to put these revised pricings into effect after their receipt of such from the SDSW, and

WHEREAS it is generally accepted by the counties and the SDSW that pricings obtained in the months of March and September reflect as nearly normal pricings as possible, and

WHEREAS pricings were made in the months of January and February, 1951 and are scheduled under existing policy to become effective not later than September 1, 1951, and

WHEREAS the ANC caseloads will have to be reviewed in the counties during August and September for legislative changes effective October 1, 1951

THEREFORE BE IT RESOLVED:

1. that the effective date of the current Cost Schedules (reflecting pricings in January and February) be extended from September 1 to October 1, 1951, and
2. that February 1 and August 1 be designated as the effective State-wide dates of future pricings made in the months of September and March respectively, and
3. that the first Cost Schedules under the recent legislative changes become effective February 1, 1952.

**FILED**

In the Office of the Secretary of State  
of the State of California

JUN 29 1951

At 3:20 o'clock P. M.

FRANK M. JORDAN, Secretary of State

By *[Signature]* Deputy

AREA OFFICES

LOS ANGELES OFFICE  
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T-22  
CH-2

Earl Warren  
Governor

STATE HEADQUARTERS

SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

STATE OF CALIFORNIA

Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 29, 1951

ADDRESS REPLY TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the  
State Department of Social Welfare.

DEPARTMENT BULLETIN NO. 457-C (OAS)

These regulations were approved by the State Social Welfare  
Board pursuant to the powers conferred upon it by the Welfare and  
Institutions Code, Sections 103, 103.5, 2140, and 2020 on June 28,  
1951, and are being filed in accordance with Section 11380 of the Government  
Code.

Very sincerely yours,

*C. I. Schottland*  
Charles I. Schottland  
Director

Attachments



STATE OF CALIFORNIA  
DEPARTMENT OF SOCIAL WELFARE  
616 K STREET  
SACRAMENTO 14

FILED  
In the Office of the Secretary of State  
of the State of California

DEPARTMENT BULLETIN NO. 457-C (OAS) ~~(PROPOSED)~~

TO: COUNTY BOARDS OF SUPERVISORS  
COUNTY WELFARE DEPARTMENTS  
COUNTY AUDITORS

JUN 29 1951  
At 3:20 P. M.  
FRANK M. JORDAN, Secretary of State  
By *[Signature]* Deputy

Subject: Determination of Aid Payments  
(Special Need - Debts)

This bulletin supersedes Item C 15 on Page 11 of Department Bulletin No. 457.

Debts - Required payments on an existing encumbrance against the home of an applicant represent a need to be considered in determining the cost of housing, irrespective of the purpose for which the debt was incurred. Required payments on indebtedness secured by an applicant's furniture or some other item of personal property represent a special need if the item of personal property is a current necessity, irrespective of the purpose for which the debt was incurred.

If a secured debt is incurred or increased while a recipient of aid the reason for such new indebtedness shall be determined. If the secured indebtedness was increased or incurred for purpose of purchasing some item which could not be recognized as a need, the increase in the required encumbrance payment (or the required payment on a new encumbrance) shall not be recognized as a need when determining total need. Likewise such increase in the required encumbrance payment shall not be considered when determining net occupancy value.

Example 1: A recipient placed an \$800 second mortgage on his home which sum was borrowed to purchase an automobile. This additional encumbrance increased the required monthly encumbrance payment from \$17.30 to \$31.50 per month. An automobile is not required for necessary transportation. In determining need for housing the required encumbrance payment on the home shall continue to be allowed on the basis of \$17.30 per month.

Example 2: A recipient entered into a new contract for paying off the remaining \$800 due on the encumbrance on his home. Under the new arrangements the monthly payments would be reduced but would extend over a longer period. At the same time the encumbrance was increased by \$400 which sum was borrowed to finance a trip. The required monthly payment on the \$1,200 total indebtedness is \$18 a month (principal and interest). Of the total indebtedness  $\frac{2}{3}$  ( $\frac{800}{1,200}$ ) represents the amount due on the original loan. The amount of encumbrance payment to be considered in determining housing need is  $\frac{2}{3}$  of \$18 or \$12.

Example 3: A recipient secured a \$300 loan against his home to provide a required new roof. This represents the only encumbrance. He still owes \$280 on the encumbrance and the required monthly payments (interest and principal) are \$14 a month. The roof repair represented a need and the need for money to pay off the remaining encumbrance represents a special need which is allowed in determining the housing need of the recipient.

The required monthly payment on an encumbrance placed by a recipient against his home shall not be considered a current need if the grant plus the income has equalled total need which included allowance for the item for which the property was encumbered (or the encumbrance increased).

Example 4: The recipient's total need including prorated monthly taxes has been such that his grant and his income equalled his total need. He borrows \$150 to pay his taxes, and gives a mortgage on his home as security for the loan. This represents the only encumbrance on his home. Required payments on the loan shall not be considered as a housing need and the full occupancy value continues to represent income.

The need for money to pay unsecured debts incurred while a recipient of aid represents a special need only if the item for which the past indebtedness was incurred represents a current necessity.

Example 5: In July a recipient having no income bought an artificial limb costing \$250. He made a down payment of \$50 which was withdrawn from his bank account, and agreed to pay \$10 a month thereafter. In November he began to receive continuing income in the amount of \$10 a month. He reported the income and also reported that he still owes \$180 on the artificial limb. Special need of \$10 is allowed beginning in November, and continues until allowance has been made for the payment of the \$180 indebtedness.

No allowance shall be made for required payments on an unsecured debt incurred prior to receipt of aid.

The foregoing policies become effective August 1, 1951, and are not to be applied retroactively.

Very sincerely yours,

Charles I. Schottland  
Director



Certified as a Regulation (or as  
Regulations) of the

Dept of Social Welfare  
(Name of State Agency)

C. J. Schattland  
(Signature)

Director  
(Title)

6/29/57  
(Date)

AREA OFFICES

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1 MICHIGAN 8411  
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T-22  
CH-2

Earl Warren  
Governor

STATE OF CALIFORNIA

Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 29, 1951

STATE HEADQUARTERS

SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

ADDRESS REPLY TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare.

DEPARTMENT BULLETIN NO. 458

These regulations were approved by the State Social Welfare Board pursuant to the powers conferred upon it by the Welfare and Institutions Code, Sections 103.5 and 2020 on June 28, 1951, and are being filed in accordance with Section 11380 of the Government Code.

Very sincerely yours,

*C. I. Schottland*

Charles I. Schottland  
Director

Attachments



W41C103-5 2020

DEPARTMENT BULLETIN NO. 458 (OAS)

TO: COUNTY BOARDS OF SUPERVISORS  
COUNTY WELFARE DEPARTMENTS  
COUNTY AUDITORS

Subject: Assembly Concurrent  
Resolution No. 39  
Amount of Old Age  
Security Payments

The State Legislature, which adjourned on June 23, 1951 adopted Assembly Concurrent Resolution Number 39 affirming its intent that the maximum Old Age Security payment remain at \$75. The resolution directed that a copy of this resolution be sent to each recipient of Old Age Security.

Attached is a copy of the statement which shall be mailed to each recipient of Old Age Security not later than August 1, 1951. This statement may be mailed to each recipient with the August warrant. Those counties having no facilities to duplicate the statement locally shall make immediate requests for a supply to this department.

Very sincerely yours,

Charles I. Schottland  
Director

**FILED**

In the Office of the Secretary of State  
of the State of California

JUN 29 1951

At 3:40 P o'clock M.

FRANK M. JORDAN, Secretary of State

By *[Signature]* Deputy

Attachment

## AMOUNT OF OLD AGE SECURITY PAYMENT

The State Legislature, in its session which ended on June 23, 1951 approved the following resolution:

"Whereas, The Legislature of the State of California has time and time again indicated its desire to establish and maintain an adequate program of Old age assistance, commonly known as old age pensions, and in furtherance of this desire the Legislature has authorized present expenditures of more public funds for such old age assistance program than the combined expenditures for such programs of any two other states in the Union; and

"Whereas, The Legislature believes that this excellent program should be maintained and the grant of seventy-five dollars (\$75) should not be reduced; now, therefore, be it

"Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Chief Clerk of the Assembly be directed to send copies of this resolution to the State Social Welfare Board and the Department of Social Welfare with instructions that the same be copied and mailed to all recipients of old age assistance."

This resolution does not mean that every recipient of Old Age Security will receive a full \$75 payment each month. It means that the State Legislature, aware of the needs of our older citizens, has no intention of lowering the maximum amount of the payment. There will be many people who will receive less than \$75 because of income.



Certified as a Regulation (or  
Regulations of the

Dept of Social Welfare  
(Name of State Agency)

C. D. Schattland  
(Signature)

Director  
(Title)

6-29-57  
(Date)

AREA OFFICES

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T-2:  
CA-2  
Earl Warren  
Governor

STATE OF CALIFORNIA

Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 29, 1951

STATE HEADQUARTERS

SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

ADDRESS REPLY TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare with Aid to Needy Children Manual Letter No. 12.

These regulations contained in this material were approved by the State Social Welfare Board on June 28, 1951, pursuant to the powers conferred upon it by the Welfare and Institutions Code, Sections 103, 103.5, and 1560, and are filed in accordance with provisions of Section 11380 of the Government Code.

Very sincerely yours,

*C. I. Schottland*

Charles I. Schottland  
Director

Attachments



Sacramento 14  
July 6, 1951

AID TO NEEDY CHILDREN MANUAL LETTER NO. 12

The attached revisions numbered 69 through 82 are to be entered in your copy of the Manual of Policies and Procedures - Aid to Needy Children and the revision numbers canceled on the inside of the Manual cover.

These revisions were adopted by the Social Welfare Board on June 28, 1951, and are effective August 1, 1951.

Sec. C-115 has been revised to emphasize that the ANC application should be signed by the person responsible for the care of the child or responsible for his placement.

Sec. C-515 permits counties to accept payments or contributions from an absent parent on behalf of his family.

Sec. C-521 has been revised to eliminate the words "an eligible relative" which erroneously implied that federal participation is available in foster home cases.

Secs. C-530, C-533, and C-539, <sup>and C-572</sup> as revised, incorporate the change in policy with respect to retroactive adjustments for under- and overpayments.

**FILED**

In the Office of the Secretary of State  
of the State of California

JUN 29 1951

At 3:20 P o'clock M.

FRANK M. JORDAN, Secretary of State

By *[Signature]* Deputy

~~PROPOSED REVISIONS IN AID TO NEEDY CHILDREN~~  
~~MANUAL OF POLICIES AND PROCEDURES~~

PERSON MAKING APPLICATION FOR ANC

The section is revised to emphasize that the ANC application should be signed by the person responsible for the care of the child or responsible for his placement. Signing of applications by parole officers, although permitted, is no longer spelled out in detail.

C-115 PERSON MAKING APPLICATION

C-115

It is generally preferred that the person with whom the child is living sign the application. A parent, a guardian, a relative, or a person in loco parentis may sign an application for a child. If a child is living with a parent, the parent shall sign the application. If a child is living with a relative, other than a parent, either the parent or the relative shall sign the application. If a child is in a boarding home or institution, the application preferably should be signed by the parent, the guardian, or the person responsible for the placement of the child. If a ward of the juvenile court committed to the Youth Authority has been placed or is about to be placed on parole in a boarding home, the application may be completed by the parole officer of the Youth Authority and filed with the county of residence. The county welfare department may file an application for on behalf of a child.

(a)

If children of the same parent are living in different homes, separate applications may be made for the group in each home, or one application may be made for all the children. (W&IC 1560)

*or relative, either the parent or the relative*

- (a) Change of emphasis placing greater responsibility on person having responsibility for the child.



AMOUNT OF ASSISTANCE PAYMENT IN ANC

The section is amended to permit counties to accept payments or contributions from an absent parent in behalf of his family. Current rules require that the parent contribute directly to his family, a requirement which discourages some absent parents from contributing and which is not always observed by the courts. From the families' point of view this amendment will assure a regular payment from the county regardless of the regularity with which the absent parent contributes.

C-515 AMOUNT OF ASSISTANCE PAYMENT

C-515

A... CHILDREN ELIGIBLE FOR FEDERAL PARTICIPATION LIVING WITH THEIR OWN FAMILY OR WITH RELATIVES.

(a)

The assistance payment shall be the exact amount, within the limits provided by federal and state laws, by which ~~the~~ total need exceeds ~~the~~ available net income. Assistance needed in excess of the participating maxima may be provided from by additional county funds.

B... CHILDREN INELIGIBLE FOR FEDERAL PARTICIPATION LIVING WITH RELATIVES, IN FOSTER HOMES OR IN INSTITUTIONS.

The assistance payment for the child living in a foster home; in the home of an ineligible relative; or in an institution shall be the exact amount, within the limits provided by state law, by which the total need exceeds the available net income. Assistance needed in excess of the participating maximum may be provided from county funds.

(a)

*county agreement*  
Exception may be made in the amount of payment when an absent parent, whether by court order or by preference, makes payment of his contribution for the support of the child directly to the county. In such cases, the payment to the family may equal total need and the contribution may be treated as a repayment.

Further exception may be made in the amount of payment for a child in a foster home or institution who has income from any source. In such case, cases, the payment to the foster mother home or institution may equal total need and the income may be treated as a repayment. (W&IC 1560)

(a) To permit counties to receive contributions from absent parents.

~~PROPOSED REVISIONS IN AID TO NEEDY CHILDREN~~  
~~MANUAL OF POLICIES AND PROCEDURES~~

PAYMENT PROCEDURES FOR ANC

The elimination of the words "an eligible relative" in the revised paragraph removes the implication that federal participation is available in foster home cases. The current statement has proven confusing and the Social Security Administration is holding up approval of this part of the ANC plan until it is clarified.

C-521 PAYMENT PROCEDURES

C-521

(For more complete statement, see Financial Procedures sections)

Assistance payments shall be made by warrants redeemable at par.

Payment is effected by deposit of the warrant properly stamped and addressed in the U. S. mail, or by direct delivery to the payee.

Assistance payments shall be made monthly in advance except that payments for children who are living in boarding homes or institutions may be made either in advance or subsequent to the furnishing of care and support. Advance payment means delivery of the warrant on or as near as possible to the first business day of the month.

One warrant may be issued to each boarding home or institution covering all children in the home to whom board and care is given during the month, or a separate warrant may be issued for each child or family group.

If the payee dies, the warrant issued to the deceased payee shall be canceled and a duplicate warrant shall be issued to the new payee.

~~Payments shall be made to the person or institution providing care for the child for whom the assistance payment is made. If circumstances permit, payment should be made to an eligible relative (see Sec. 6-423, Definition of Living in the Home of a Relative for Federal Participation). If assistance is paid for a child who is a ward of the juvenile court, the payment may be made to the probation officer; if payment is made for a parolee from the California Youth Authority for whom the parole officer signed the application, the warrants shall be made payable to, and mailed to, the relative; if the child is living with an eligible relative, or, if the child is living in a boarding home, the warrant shall be made payable to the boarding home mother and shall be mailed in care of the area office of the California Youth Authority.~~

(a)

(Section Continued on Next Page)

(a) To conform with federal requirements.



*the relative, the legal address of the relative, or a relative*

If a child is living with a parent, payment shall be made to the parent, the legal guardian of the parent, the child, or, in an emergency, to the person acting temporarily for the parent. ~~If the child is living with a relative other than a parent, payment shall be made to that relative, the legal guardian of that relative, the child, or, in an emergency, to the person acting temporarily for the relative.~~ If the child is living in a foster home or institution, payment preferably should be made to the foster home or institution caring for the child but may be made to the parent or other relative responsible for the child or to the probation officer if the child is a ward of the juvenile court. If the child in a foster home is a parolee from the California Youth Authority, for whom the parole officer signed the application, the warrant shall be payable to the foster home ~~mother~~ but mailed in care of the area office of the California Youth Authority. (See Sections C-420 through C-440 for Federal Participation.)

(a)

Any warrant issued in payment of assistance shall be void if not presented for payment within six months after date of issuance, and a new warrant for assistance in lieu of that void warrant shall not be issued.

If a warrant is lost or destroyed before it is paid by the county treasurer, the amount due may be recovered by the payee by filing with the auditor, prior to the time the warrant becomes void, an affidavit setting forth the fact of the loss or destruction of the warrant, the number, date, amount, name of the payee, and facts relative to its loss or destruction.

A warrant shall be considered lost if it has been mailed and has not been received by the addressee within twenty days after the date of mailing.

If a warrant has been canceled in error by the county auditor, it shall be considered to have been destroyed. (W&IC 1556.5, 1560; FSS-Admin; Government Code 29850, 29853)

(a) To conform with federal requirements.

A. Requirements

The Assistance payment shall be increased as seen as administratively possible whenever it is determined that the authorized assistance when the payment is less than the amount by which total need exceeds the available net income, within the participating maxima.

B. Retroactive Increase

The Assistance payment shall be increased retroactively (in a subsequent month for some preceding month or months) if ~~1. The payment was made in the amount authorized, but~~ eligibility for a larger amount than that authorized is subsequently determined due to a change in need or income, provided it is administratively possible to secure action of (1) the board of supervisors before the end of the second month following that can authorize the additional payment before the expiration of one year, including the month in which the underpayment occurred, and provided (2) the warrant for the retroactive assistance increase would total \$1.00 or more. However, if it is not possible to secure action by the board of supervisors before the end of the second month, such action may be taken before the end of one year, including the month in which the underpayment occurred. (a)

Example: ANC in the amount of \$150 was paid for October to meet the budget deficiency for a family of mother and four children. On November 10, the county learned that the family took out their first life insurance policy on October 1 on which the amount of the monthly premium was \$4, thereby increasing the need for October by \$4. The board of supervisors shall grant \$4 retroactive assistance for October and \$4 for November. Action shall be taken in November or December or if through error such action is not taken during this period, it may be taken before the next October 1.

The following principles shall govern the determination of the amount of retroactive increase and the date from which such increase shall be made:

1. The obligation rests upon the person responsible for the care and supervision of the child to report changes in need and income.
2. Retroactive increase to adjust for underpayment caused by increased need or reduced income shall be made beginning with the first of the month in which the change in need or income is reported to the county, or the first of the month in which increased need or reduced income exists, whichever is later.
3. No retroactive increase shall be made to adjust for underpayment in months prior to the month in which the change in need or income is reported to the county, except when special circumstances prevented the family from notifying the county in the same month in which the change occurred. In such a case, retroactive increase shall be paid from the first of the month in which the underpayment occurred, provided the county is notified of the changed circumstances not later

(Section Continued on Next Page)



than the month following that in which the change occurred. The reason for the retroactive increase for a month prior to the month in which changed circumstances were reported shall be recorded in the narrative. The following are among the special circumstances to be given consideration:

- (a) Illness
  - (b) The need arose too late in the month to afford reasonable time in which to report the change within that month
  - (c) The fact that income would not be received or would be received in a lesser amount than previously reported could not have been known until the last day of the month
  - (d) Infrequent mail service from isolated areas, etc.
4. Need for a particular month shall not be increased by carrying forward any unmet needs from a prior month.

(a)

Also, the assistance payment shall be increased retroactively if ordered by the State Social Welfare Board 2.---A retroactive increase is granted upon appeal to the SDSW or if the SDSW concurs in the county's recommendation that the appeal be adjusted by payment of retroactive increase without hearing by the SSWB.

For procedures for correcting a payment made for a lesser amount than the amount authorized, see Sec. C-545, Corrective Payments. (W&IC 1560)

(a) Change in policy

(Rev.)

## A. REQUIREMENTS

The Assistance payment shall be decreased whenever it is determined that the authorized assistance when the payment is more than the amount by which total need exceeds the net income. Decrease in the assistance payment shall be effected as soon as administratively possible after it is determined that the authorized payment is, or will be, in excess of the budgetary deficit.

If the decrease is not effected in the month in which the circumstances changed, or if assistance is not discontinued at the end of the month in which ineligibility occurs, an overpayment results and is subject to adjustment or repayment, which, if current eligibility exists, may be adjusted, or partially adjusted, by a decrease in the assistance payment for a subsequent month (or by discontinuance for one month - see Section C-539). A cash adjustment may be made in lieu of decreasing assistance. In no event, however, shall a decrease or cash adjustment (or discontinuance for one month) be made to adjust for an overpayment which occurred more than two months prior to the month in which the decrease is effective or cash adjustment is made. If an overpayment is discovered too late to make any adjustment within this time limit, or to only partially adjust the total overpayment, the right to request repayment of assistance shall be governed by Sec. C-572, B.

(a)

If the amount of the overpayment is such that full adjustment cannot be made by a decrease in the second month following that in which the overpayment occurred (or by discontinuance for one month), payment for the first month should be withheld, if possible. The withheld warrant should then be cancelled and rewritten in the decreased amount authorized by the board of supervisors, unless a cash adjustment is being made.

The assistance payment shall be decreased (or discontinued) to adjust for overpayment due to ineligibility.

The requirement to decrease in the assistance payments to adjust for overpayment in prior months shall be waived if the county determines that such an adjustment a decrease would cause hardship to the family. Hardship would apply in cases in which the money had been used by the family, the decreased assistance payment would not meet the current monthly expenses, and the family does not have personal property savings or other resources to meet the current expenses. If the county determines that hardship would result because of a decrease in the assistance payment to adjust for overpayment, *no adjustment within the current adjustment period shall be made and assistance to meet total need shall continue. in the amount necessary to meet current needs.*

The county shall record in the narrative the basis for the determination that hardship would occur. The application of this exception shall in no way alter the provisions for repayment of overpayments of assistance, which shall be applied. The right to request repayment of the total overpayment shall be governed by Sec. C-572. The month for which assistance is decreased (or discontinued) to adjust for past overpayment is known as the "month of adjustment".

(Section Continued on Next Page)

(a) Change in policy



## B. DECREASE DUE TO INCREASED INCOME OR DECREASED NEED

If the exact amount of net income and total need for a given month are known sufficiently in advance, the necessary decrease in the assistance payment shall be made for the month in which income is expected to be received or increased or a decrease in need is anticipated.

Example: ... On January 10 the county determines that a family will receive \$20 as a first payment on industrial compensation insurance on or about February 15. ... Total need less the increased net income will result in a decrease in the deficit in the family budget by ... \$20 for February. ... Therefore, the assistance payment for February shall be decreased to that amount by which the total need exceeds the net income.

## C. DECREASE TO ADJUST FOR OVERPAYMENT DUE TO INCOME OR CHANGE IN NEED OR INCOME

If an increase in income or decrease in need is not known sufficiently in advance to decrease the payment in the month the income increases or need decreases, an overpayment of assistance occurs. ... Unless hardship is determined, the assistance payment shall be decreased to adjust for the overpayment as soon as administratively possible after the overpayment is known, provided that the decrease in assistance is effective not later than the second month following that in which the overpayment occurred.

If income is irregular, adjustment for overpayment by means of a cash repayment may be made within the current adjustment period in lieu of decreasing the payment.

(a)

Example: ... A mother in a family having total need of \$165 secures employment in October. ... The county ascertains on October 15 that she was paid \$45 which represented net income of \$35.

Adjustment may be made in either of two ways:

- (1) ... Decrease in assistance effective November, or not later than December, to adjust for the overpayment in October, or ...
- (2) ... Repayment by the mother in October or November of the amount of recomputed overpayment, such cash repayment to be reported to the SDSW in the usual manner.

If an overpayment of assistance for a prior month is discovered too late to make the adjustment by a decrease within the current adjustment period (i.e., not later than the second month following the month in which the overpayment occurred), no adjustment for overpayment by decrease in assistance shall be made, but procedures for repayment of assistance shall be applied and assistance shall continue. ... (See Sec. C-572, Repayment Procedures)

(Section Continued on Next Page)

(a) Change in policy

Assistance shall be decreased or a cash adjustment made (or discontinued for one month) to adjust for overpayment due to change in need or income in the two months preceding the month of adjustment whenever such overpayment is discovered, unless hardship is determined.

In determining the amount of overpayment for any prior month, consideration shall be given to decreased need or increased income which caused overpayment in the month in which the change occurred regardless of when it was reported to the county. On the other hand, consideration shall be given to increased need or decreased income which caused underpayment in the month in which the change occurred only if it was reported to the county before the end of the month for which the determination of overpayment is being made unless special circumstances prevented the family from notifying the county in that month. If the increased need or decreased income was reported as soon as the family could have been reasonably expected to do so, but not later than the month following that in which the change occurred, the change shall be recognized for the month in which it occurred. The following are among the special circumstances to be given consideration:

1. Illness
2. The need arose too late in the month to afford reasonable time in which to report the change within that month
3. The fact that income would not be received or would be received in a lesser amount than previously reported could not have been known until the last day of the month
4. Infrequent mail service from isolated areas, etc.

(a)

The amount of the assistance payment for the "month of adjustment" shall be determined by subtracting the amount of overpayment which occurred in the two preceding months from the amount of assistance for which the family would have been eligible in the month of adjustment, had no overpayment occurred. The need in the month of adjustment (or need in any other month) shall not be increased by adding any unmet needs from a prior month.

#### D. DETERMINATION OF AMOUNT OF OVERPAYMENT DUE TO INCOME OR CHANGE IN NEED

The county shall determine whether overpayment or underpayment occurred during the current adjustment period by redetermining the amount of the assistance payments for which the family was eligible during those months. The current adjustment period is that time within which a change may be effected in the assistance payment that is to be issued in either of the two months next following the month in which an underpayment or overpayment occurred. The current adjustment period includes the month in which the overpayment or underpayment occurred and the two months following; therefore, it is also the month in

(Section Continued on Next Page)

(a) Change in policy



C-533 (Continued)

C-533

which the adjustment is made and the two months preceding, provided that the month of adjustment shall be not later than the second month following the month in which overpayment or underpayment occurred. The assistance payment for the month of adjustment, as determined on the basis of total need and net income for that month, shall be increased or decreased by the total amount of underpayment or overpayment in the two preceding months.

Example 1: On May 12 the county learned that a family receiving an assistance payment of \$160 received \$30 in April and \$30 in May from an absent father living outside the home, who indicated he would continue to make this contribution. In a discussion with the mother it was determined that the \$30 received in April did not represent overpayment as the full \$30 was used to meet the cost of roof repairs as a special need (redetermined total need \$190). There was, therefore, neither overpayment nor underpayment in April. However, there was an overpayment of \$30 in May as the other needs remained unchanged. Assistance for June was decreased to \$100 (\$160, the total need, less \$30 income received in June, and less \$30 overpayment in May). Assistance for July was increased to \$130 (\$160 total need, less \$30 income received in July).

Any changes in total need or net income in the current adjustment period not previously considered shall be included in the recomputation to determine the amount of adjustment necessary. Therefore, if overpayment or underpayment occurred in any month of the current adjustment period, a recomputation of total need shall be made for the months in the current adjustment period and for the two months preceding the current adjustment period to redetermine the proper assistance payments that should have been made and should be made in the month of adjustment.

Example 2: The net overpayment or net underpayment in either the first or second month of the current adjustment period may be balanced against any unadjusted overpayment or underpayment in the two months preceding, or in the months within the current adjustment period following, that specific month. In example 1, the recomputation showed neither overpayment nor underpayment in April, the first month of the current adjustment period, therefore, it was unnecessary to recompute the budgets for February and March. The recomputed overpayment in May was adjusted against the budgetary deficit for June. However, it would be equally correct to consider the underpayments, if any, that occurred in the two months prior to May, and to deduct such underpayments from the May overpayment. Therefore, the total need for March should have been recomputed, the underpayment, if any, deducted from the May overpayment, and the total overpayment thus computed adjusted in the June grant.

(Section Continued on Next Page)

C-533 (Continued)

C-533

(a) Example 3: On March 17 a family receiving \$130 reported receipt of GASI in the amount of \$11 beginning February 10. The mother also reported that in December she had bought zinc sheeting to put on the wall behind the cook stove, costing \$3, and that in January the oil and electric bills had been \$4 over the usual amounts because the children had been sick. Computation of the amount of overpayment in February required reconsideration of total need in the two preceding months, i.e., January and December. It was determined that the \$3 for zinc in December and the \$4 for excess fuel in January were special needs representing underpayment for those months. February needs had been correctly determined and there was \$11 overpayment. The net overpayment for February was \$4 (\$11 minus \$7). Reconsideration of total need for March showed total need decreased to \$126, less income \$11, deficit \$115, payment \$130, making an overpayment of \$15. For April, the month of adjustment, the assistance payment was \$106. Total need increased to \$136, less income \$11, less total overpayment \$19 for February and March.

Example 4: In a family of 4 children receiving a grant of \$207, the oldest son received in October a payment of \$150 as beneficiary of his grandfather's insurance. The entire amount was immediately used to apply on an old grocery bill and was reported in an office interview later in the month. The family had no resources and no income, there had been frequent illnesses in the family, and the county had provided better housing by arranging for rental of a more adequate house. The school had been cooperating by arranging home work during the illnesses. Overpayment in October occurred in the amount of the allowances in the family budget unit for that son and his caretaker (the mother), and was subject to adjustment in November. The county determined that hardship would result because of the poor physical condition of the children, waived the adjustment and recorded the circumstances and decision in the narrative. Right to request repayment did not exist because the income was reported in the month received and there was neither fraud nor mistake of fact.

If the total overpayment in the current adjustment period exceeds the budgetary deficit for the month of adjustment, the assistance payment for the month of adjustment shall be discontinued as a partial adjustment of the overpayment, unless hardship has been determined. The unadjusted balance of the overpayment (or the total overpayment, if hardship has been determined) is subject to repayment. (See Secs. C-539, Discontinuance of the Assistance Payment, and C-572, Repayment Procedures)

If adjustment for overpayment has not been made within the current adjustment period, the county shall reconsider total need and net income for the month or months in which overpayment occurred, and any changes not previously considered shall be included in the recomputation, including the amount of any underpayments in the two months preceding or the two months following or a combination of one month preceding and one month following any month in which overpayment occurred. The total overpayment for the months involved is subject to repayment. (See Sec. C-572, Repayment Procedures)

#### E. DECREASE TO ADJUST FOR OVERPAYMENT DUE TO EXCESS REAL OR PERSONAL PROPERTY

If it is discovered that a child was ineligible for assistance because real or personal property exceeded the maximum allowable, but the excess property has been reduced so that the child is eligible for current assistance, it may be possible to adjust for the overpayment due to ineligibility during the one or two months preceding the month of adjustment by a decrease in the assistance payment. (Procedure for determination of amount of overpayment as given in Item D of this section does not apply.)

(Section Continued on Next Page)

(a) Change in policy



C-533 (Continued)

C-533

If there was underpayment in either of the two months preceding the current adjustment period, the total underpayment shall be deducted from the overpayment, if any, which occurred in the first month of the current adjustment period, since such overpayment may be applied as an adjustment on those underpayments. The net overpayment, if any, in the first month of the current adjustment period as thus redetermined, shall be adjusted in the current adjustment period. (If there was overpayment in either of the two months preceding the current adjustment period, such overpayments are subject to repayment procedure.) (a)

If there was underpayment in the first month of the current adjustment period and overpayment in either of the two months preceding the current adjustment period, the underpayment may be deducted from the total overpayment in those two months and the net underpayment, if any, in the first month of the current adjustment period as thus redetermined, shall be adjusted in the current adjustment period. As an optional alternative, an underpayment in the first month of the current adjustment period may be deducted from the overpayment in the second month of the current adjustment period.

The overpayment or underpayment in the second month of the current adjustment period shall be recomputed.

The net overpayment or the net underpayment in the first month shall then be balanced against the overpayment or underpayment in the second month, to determine the total overpayment or total underpayment, if any, in the current adjustment period. That amount shall be deducted from, or added to, the recomputed budgetary deficit in the month of adjustment, and the sum or difference shall be the amount of the adjusted payment in the month of adjustment.

If the recomputation of amount of assistance that should have been paid in the first two months of the current adjustment period results in a total underpayment, that amount shall be issued by supplementary warrant or added to the payment of assistance for the month of adjustment.

If the recomputation of amount of assistance that should have been paid in the first two months of the current adjustment period results in a total overpayment, that amount shall be deducted from the amount of assistance payment for the month of adjustment, unless hardship is determined.

(Section Continued on Next Page)

C-533 (Continued)

C-533

2. If the overpayment is due to constructive fraud or mistake of fact, the assistance payment for which the child is eligible in the month of adjustment shall be decreased by the largest amount by which the property exceeded the maximum allowable during the two preceding months or by the amount of the assistance payment made and for which the child was ineligible during the month or two months preceding, whichever is the lesser amount.

Example 1: During November the county discovers that the two children were ineligible for ANC on October 1, as total value of the family's cash and securities was \$627 on that date. This value remained the same on November 1, but during November was reduced to within the maximum allowable. The family's regular income was \$45, total monthly need in October and November \$150, and the assistance payment was \$105 each month. The overpayment was due to constructive fraud because the family did not realize that collection of a debt in September caused their personal property to exceed \$600. Although the children were ineligible in both October and November because of excess personal property, adjustment is in order for only the excess in the amount of \$27. The children would otherwise be eligible to receive \$105 on December 1 (\$150 total need less \$45 income). The excess of \$27 is deducted from this amount and the assistance payment for December is, therefore, \$78.

(a) Example 2: The county discovers on February 16 that a family's personal property had been in excess of the maximum allowable since September. Personal property had gradually been reduced from a maximum of \$635 in September to \$617 in January and \$614 in February. By March 1 the personal property is reduced to within the maximum allowable. Although the children were ineligible from September through February, it is determined that the overpayment was due to constructive fraud. Total need in March, the month of adjustment is \$165 and the only income is \$40 net earnings. Were it not for the overpayment which occurred in January and February, the children would be eligible to receive an assistance payment in March of \$125. The maximum by which personal property was excessive in January and February, the two months preceding the month of adjustment, was \$17 and accordingly the March assistance payment is reduced to \$108 (\$125 less \$17 excess). Since in September the family's personal property exceeded the maximum allowable by \$35, of this excess \$18 remains unadjusted (\$35 maximum excess less the \$17 adjusted by the decrease in the March payment). This unadjusted excess, and only this amount, shall be subject to repayment under the provisions of Sec. C-572.

Example 3: The family with a \$500 bank account receiving \$120 ANC received a lump sum OASI benefit of \$225 on April 3 and reported it on April 10. The assistance payment was continued. The family was eligible on April 1, therefore no overpayment occurred in April because of the receipt of excess personal property during the month. On May 1 total personal property was \$725 and the family was ineligible. Mistake of fact occurred in that the county had been properly informed. The amount of the assistance payment was less than the amount of the excess personal property, therefore repayment in the amount of \$120 is due.

(Section Continued on Next Page)

(a) Change in policy



C-533 (Continued)

C-533

If the current adjustment procedure for decreases does not entirely adjust the overpayment, the following procedures apply:

1. If the amount of the overpayment during the month or two months preceding the month of adjustment exceeds the amount for which the child is eligible in the month of adjustment, assistance shall be discontinued for one month to adjust for overpayment. (See Sec. C-539, Discontinuance of the Assistance Payment)
2. If the period of ineligibility due to excess property extends prior to the current adjustment period (i.e., into or beyond the third month prior to the month of adjustment), the overpayment for the remainder of the period of ineligibility is subject to repayment provisions. (See Sec. C-572, Repayment Procedures)
3. If it is discovered that a period of ineligibility occurred prior to the current adjustment period but the child is eligible during the current adjustment period, the overpayment which occurred is subject to repayment procedures. (See Sec. C-572, Repayment Procedures) (a)

The county shall determine whether the overpayment occurred due to actual fraud, constructive fraud, or mistake of fact (see Sec. C-572, Repayment Procedures) and shall request repayment, if applicable, or adjust for the overpayment as follows:

1. If the overpayment is due to actual fraud, the assistance payment for which the child is eligible in the month of adjustment shall be decreased by the amount of the assistance payment which was made and for which the child was ineligible during the month or two months preceding.

Example: The county discovers on December 16 that the personal property of a mother and child had totaled \$612 since July 1. Actual fraud existed because the mother admitted she did not report the change in the family's circumstances as she did not wish the assistance payment of \$50 to be discontinued. By January 1 the personal property is reduced to within the statutory maximum. Total need in January, the month of adjustment, is increased to \$120 and the family's previous income of \$50 has ceased. The family would, therefore, be eligible to receive \$120 were it not for the overpayment due to excess personal property. Adjustment is in order for the full amount of assistance paid in November and December (\$100) and the assistance payment effective January 1 is reduced to \$20. The unadjusted remainder of overpayment for the period July 1 through October 31 is subject to repayment under provisions of Sec. C-572, Repayment Procedures.

(Section Continued on Next Page)

F. ~~DECREASE TO ADJUST FOR OVERPAYMENT DUE TO REASONS OTHER THAN INCOME;  
CHANGE IN NEED, OR EXCESS PROPERTY~~

If overpayment occurs for a reason other than increased income, decreased need, or excess real or personal property within the current adjustment period and the circumstances have so changed that the child is again eligible for assistance, an adjustment by a decrease in the assistance payment shall be made, if possible. In such situations the assistance payment for which the child is eligible in the month of adjustment shall be determined in accordance with Item D of this section.

(a)

Example: An ANC application for a child was signed on September 6. However, ANG was granted from September 1 in the amount of \$120. Since assistance may not antedate the signing of the application, the family was overpaid for five days in September, or \$20. Were it not for the overpayment which occurred in September, the family would be entitled to receive \$120 in October. The assistance payment for that month is decreased to \$100 (\$120 less \$20 overpayment) and is increased to \$120 effective November 1.

If the overpayment is discovered too late to make an adjustment by a decrease in the assistance payment within the current adjustment period, the overpayment is subject to repayment provisions. (W&IC 1506, 1560)

D. DECREASE TO ADJUST FOR OVERPAYMENT DUE TO EXCESS REAL OR PERSONAL PROPERTY

Assistance shall be decreased or a cash adjustment made (or discontinued for one month) to adjust for overpayment due to excess real or personal property in the two months preceding the "month of adjustment", unless hardship is determined, if the property has been reduced within the legal limitation so that there is eligibility for current assistance.

The amount of the assistance payment for the "month of adjustment" shall be determined as follows:

1. If the overpayment occurred as a result of fraudulent intent, assistance for the "month of adjustment" for which the child is eligible shall be decreased by the total amount of assistance paid during the two preceding months for which the child was ineligible. The total amount of assistance paid for which there was ineligibility prior to the two months preceding the "month of adjustment" is subject to repayment provisions.
2. If the overpayment occurred without fraudulent intent, assistance for the "month of adjustment" for which the child is eligible shall be decreased by the largest amount by which the property exceeded the maximum allowable during the two preceding months or by the total amount of assistance paid during these months for which the child was ineligible, whichever is the lesser amount.

(Section Continued on Next Page)

(a) Change in policy



E. DECREASE TO ADJUST FOR OVERPAYMENT DUE TO REASON OTHER THAN CHANGE IN INCOME OR NEED OR EXCESS PROPERTY

Assistance shall be decreased or a cash adjustment made (or discontinued for one month) to adjust for overpayment due to reasons other than a change in need or income or excess property in the two months preceding the "month of adjustment", unless hardship is determined, if there is eligibility for current assistance.

The amount of the payment for the "month of adjustment" shall be decreased by the amount of the overpayment in the two months preceding the month of adjustment.

(a)

F. DECREASE TO ADJUST FOR OVERPAYMENT DUE TO MORE THAN ONE FACTOR

If overpayment due to excess real or personal property occurs, without fraudulent intent, concurrently with overpayment due to change in need or income, the amount of the overpayment due to each factor shall be determined in accordance with Items C and D2 of this section. Assistance shall then be decreased or a cash adjustment made (or discontinued for one month), unless hardship is determined, if current eligibility exists, by the larger amount of overpayment which occurred in the two months preceding the "month of adjustment".

If overpayment due to excess real or personal property, with fraudulent intent, or overpayment due to ineligibility for any other reason occurs concurrently with overpayment due to a change in need or income, the assistance payment shall be decreased or a cash adjustment made (or discontinued for one month), unless hardship is determined, if current eligibility exists, by the total amount of assistance paid during the two preceding months for which the child was ineligible, in accordance with Item D1 of this section.

G. OFFSETTING UNDERPAYMENTS AND OVERPAYMENTS WITHIN THE TWO MONTHS PRECEDING THE MONTH OF ADJUSTMENT

If an overpayment is made for one of the two months preceding the "month of adjustment" and the family is eligible for a retroactive increase for the other month, the amount of overpayment in this period may be reduced by the amount of the underpayment, in lieu of granting a retroactive assistance payment. The reduced amount of overpayment shall then be considered in determining the amount of the assistance payment in the "month of adjustment".

If the underpayment in one of the two months preceding the "month of adjustment" exceeds the overpayment in the other month, the amount of retroactive assistance to be granted for the month in which the underpayment occurred shall then be reduced by the extent of the overpayment in the other month. No further adjustment for the overpayment shall be made.

Full detail shall be recorded in the case narrative whenever underpayment within the two months preceding the "month of adjustment" is considered to be offset by overpayment within those two months, or vice versa. (W&IC 1506, 1560)

A. REQUIREMENTS

~~Discontinuance of assistance is~~ Assistance shall be discontinued when the eligibility requirements are no longer met. Action to discontinue assistance shall be taken as soon as possible after the necessity for discontinuance becomes known and shall be effective as of the last day of the month for which the last payment was made.

~~The assistance payment shall be discontinued as soon as administratively possible if the child does not meet eligibility requirements. Unless the discontinuance is effective by the last day of the month in which ineligibility occurred, an overpayment results and is subject to adjustment or repayment.~~

The assistance payment shall be discontinued (or decreased) to adjust for overpayment due to change in income or need.

(a)

If the discontinuance is not effected at the end of the month in which ineligibility occurs, or if a decrease is not effected in the month in which circumstances changed, an overpayment results which, if current eligibility exists, may be adjusted or partially adjusted by a discontinuance for one month (or by a cash adjustment or by a decrease - see Sec. C-533). If an overpayment of assistance occurs because a decrease is not effected in the month in which the need or income changes, the overpayment may be adjusted or partially adjusted by a discontinuance for one month (or by a cash adjustment or a decrease). In no event, however, shall assistance be discontinued for one month to adjust for an overpayment which occurred more than two months prior to the month for which no assistance is paid. If past ineligibility or overpayment is discovered too late to make any adjustment within this time limit, or to only partially adjust the total overpayment, or if ineligibility continues, the right to request repayment of assistance shall be governed by Sec. C-572 B.

Discontinuance of assistance for one month adjusts for overpayment during the two preceding months to the extent of the amount of assistance for which the family would have been eligible in the "month of adjustment", had no overpayment occurred. Discontinuance for a month for which the family is ineligible for any payment does not adjust for any previous overpayment. The right to request repayment of any unadjusted balance of overpayment is governed by Sec. C-572, B.

When assistance is restored following discontinuance, the amount of the payment shall be based on need and income in the month of restoration. Under no circumstances shall a lesser amount be granted to adjust for any unadjusted balance of overpayment.

~~Discontinuance of the assistance payment~~ The requirement to discontinue for one month to adjust for overpayment in prior months shall be waived if the county determines that such a discontinuance would cause hardship to the family. Hardship would apply in cases in which the money had been used by the family and ~~the family does not have personal property~~ there are no savings or other resources to meet the current expenses. If the county determines that hardship would result because of a discontinuance ~~of the assistance payment~~ to adjust for overpayment, ~~no adjustment within the current adjustment period shall be~~

(Section Continued on Next Page)



~~made-and assistance to meet total need shall continue in-the-amount-necessary to-meet-current-needs. The county shall record in the narrative the basis for the determination that hardship would occur. The-application-of-this-exemption-shall-in-no-way-alter-the-provision-for-repayment-of-overpayments-of assistance,-which-shall-be-applied. The right to request repayment of the total overpayment shall be governed by Sec. C-572.~~

~~If the family is currently eligible but ineligibility occurred in either of the two preceding months and overpayment resulted because of failure to discontinue assistance, the overpayment may be adjusted by decrease or discontinuance of the current payment for one month.....~~

The one month for which assistance is discontinued (or decreased) to adjust for past overpayment is known as the "month of adjustment".

(a)

#### B. DISCONTINUANCE BECAUSE-OF DUE TO CONTINUING INELIGIBILITY

~~If the a child was eligible on the first day of the month but eligibility status changes at some time during that month, the-child-was-eligible-for-assistance-received-that-month-and-no-overpayment-occurs-if-assistance-is-discontinued-effective-the-end-of-that-particular-month for reason other than a change in need or income, there is no overpayment for that month. Ineligibility that occurs within the month does not change the eligibility in effect on the first of the month when the assistance payment was released; therefore, there is no overpayment and ineligibility does not occur until the first day of the following month.~~

If a child, because of increased income or decreased need, becomes ineligible for continued assistance after the first day of the month, overpayment for that month is disregarded if the discontinuance is effective the last day of that same month. However, if the discontinuance is not effective the last day of the month in which ineligibility occurred, the overpayment begins in the month in which income increased or need decreased, even though the child was eligible on the first day of the month.

(Section Continued on Next Page)

(a) Change in policy

Example 1: ... A family having no income received an assistance payment of \$175 on October 1. ... On October 17 they began receiving a regular monthly income of \$200. ... Assistance is discontinued effective ... October 31. ... No repayment is due.

Example 2: ... A family received an assistance payment of \$137 on ... December 1. ... On December 5 they received \$400 cash through inheritance which caused the personal property holdings to exceed \$600. ... Assistance is discontinued December 31. ... No repayment is due.

### C. DISCONTINUANCE TO ADJUST FOR OVERPAYMENT DUE TO ~~INCOME~~ OR CHANGE IN NEED OR INCOME

If an overpayment occurs due to an increase in income or decrease in need, the county shall determine the amount of the overpayment (see Sec. C-533; D, Determination of Amount of Overpayment Due to Income or Change in Need) and adjust the assistance payment, if possible. ... If the child is eligible for assistance in the month of adjustment and if the amount of the overpayment Assistance shall be discontinued for one month or a cash adjustment made to adjust or partially adjust for overpayment due to change in need or income in the two preceding months if the amount of overpayment in these two months equals or exceeds the amount of assistance for which the child is eligible there is eligibility in the "month of adjustment", assistance shall be discontinued for one month unless hardship is determined. Such a discontinuance adjusts for overpayment in the two preceding months to the extent of the amount of assistance for which the child would have been eligible if no overpayment had occurred. No further adjustment in the assistance payment for a prior period shall be made. ... Any unadjusted remainder of overpayment is subject to repayment provisions. ... (See Sec. C-572; Repayment Procedures) (a)

Example: ... A family is eligible as of November 1 for an ANC grant of \$90. ... On November 15 the family received \$60 income and the same amount on December 15. ... Assistance was discontinued effective December 31 and restored effective February 1. ... Had no adjustment been necessary, ... \$90 ANC would have been paid for January (the month of adjustment). ... Since constructive fraud was determined to exist, the \$120 overpayment is adjusted to the extent of \$90 by the one month discontinuance, and repayment of \$30 is requested. ... If the family has no resources other than the income including the grant for which they are currently eligible, repayment shall not be required until the family at some future time is possessed of resources from which repayment can be made.

If the county does not learn of the receipt of excess income in time to discontinue assistance effective the last day of the month in which the income was received, an overpayment occurs. ... If the income in the current month is sufficient to meet total needs, assistance shall be discontinued and the overpayment is subject to repayment provisions. ....

(Section Continued on Next Page)

(a) Change in policy



In determining the amount of overpayment for any prior month, consideration shall be given to decreased need or increased income which caused overpayment in the month in which the change occurred regardless of when it was reported to the county. On the other hand, consideration shall be given to increased need or decreased income which caused underpayment in the month in which the change occurred only if it was reported to the county before the end of the month, for which the determination is being made, unless special circumstances prevented the family from notifying the county in that month. If the increased need or decreased income was reported as soon as the family could have been reasonably expected to do so, but not later than the month following that in which the change occurred, the change shall be recognized for the month in which it occurred. The following are among the special circumstances to be given consideration:

1. Illness
2. The need arose too late in the month to afford reasonable time in which to report the change within that month.
3. The fact that income would not be received or would be received in a lesser amount than previously reported could not have been known until the last day of the month.
4. Infrequent mail service from isolated areas, etc.

(a)

The need in the month of adjustment (or need in any other month) shall not be increased by adding any unmet needs from a prior month.

#### D. DISCONTINUANCE TO ADJUST FOR OVERPAYMENT DUE TO EXCESS REAL OR PERSONAL PROPERTY

If it is discovered that a child or family unit was ineligible for assistance because real or personal property exceeded the legal maximum allowable, but the excess property has been reduced so that the child is eligible for current assistance, it may be possible to adjust for the overpayment due to ineligibility during the one or two months preceding the month of adjustment by discontinuing the assistance payment for one month, unless hardship is determined. The cause and amount of overpayment due to excess property shall be determined as for decrease in assistance payments (see Sec. C-533). If the discontinuance does not totally adjust the overpayment, the unadjusted balance of the overpayment in the adjustment period and any overpayment in prior periods is subject to repayment provisions.

Example: On October 15, the county discovers that the family was ineligible for the \$95 payments for September and October because they possessed \$900 personal property, but their holdings are reduced within the maximum by November 1. Overpayment was determined to be due to constructive fraud. Were it not for the overpayment of \$190 (\$95 in both September and October), the family would be eligible for \$95 on November 1. Assistance is discontinued October 31 and restored December 1 in the amount of \$95. The discontinuance for November adjusts for \$95 of the \$190 overpayment. The unadjusted remainder of overpayment (\$95) is subject to repayment under the provisions of Sec. C-572, Repayment Procedures.

(Section Continued on Next Page)

Assistance shall be discontinued for one month or a cash adjustment made to adjust, or partially adjust, for overpayment due to excess real or personal property in the two preceding months if the amount of overpayment in these two months equals or exceeds the amount of assistance for which there is eligibility in the "month of adjustment", unless hardship is determined.

The amount of overpayment due to excess real or personal property to be adjusted, or partially adjusted, by discontinuance for one month shall be determined as follows:

1. If the overpayment occurred as a result of fraudulent intent, the total amount of assistance paid during the two preceding months for which the child was ineligible is overpayment.
2. If the overpayment occurred without fraudulent intent, the largest amount by which the property exceeded the maximum allowable during the two preceding months or the total amount of assistance paid during these months for which the child was ineligible, whichever is the lesser amount, is overpayment.

(a)

E. DISCONTINUANCE TO ADJUST FOR OVERPAYMENT DUE TO REASONS-OTHER-THAN-INCOME REASON OTHER THAN CHANGE IN INCOME OR NEED OR EXCESS PROPERTY

If overpayment occurs for a reason other than increased income, decreased need, or excess real or personal property within two months prior to the month of adjustment and the circumstances have so changed that the child is again eligible for assistance, an adjustment of the overpayment by discontinuance of assistance for one month shall be made, if applicable.

If, at the time disqualifying factors are discovered, the child is currently eligible for assistance, adjustment for the prior overpayment shall be made unless hardship is determined, provided the month of adjustment (i.e., the month for which assistance is discontinued) is not more than two months subsequent to the month of ineligibility. (W&IC 1552.3, 1560).

Assistance shall be discontinued for one month or a cash adjustment made to adjust, or partially adjust, for overpayment due to reasons other than a change in need or income or excess property in the two preceding months if the amount of overpayment in these two months equals or exceeds the amount of assistance for which there is eligibility in the "month of adjustment", unless hardship is determined.

F. DISCONTINUANCE TO ADJUST FOR OVERPAYMENT DUE TO MORE THAN ONE FACTOR

If overpayment due to excess real or personal property occurs, without fraudulent intent, concurrently with overpayment due to a change in need or income, the amount of the overpayment due to each factor shall be determined in

(Section Continued on Next Page)

(a) Change in policy



accordance with Items C and D2 of this section. Assistance shall then be discontinued for one month to adjust, or partially adjust, for the larger amount of overpayment if the larger overpayment equals or exceeds the amount of assistance for which there is eligibility in the "month of adjustment", unless hardship is determined.

If overpayment due to excess real or personal property, with fraudulent intent, or overpayment due to ineligibility for any other reason occurs concurrently with overpayment due to a change in need or income, assistance shall be discontinued for one month to adjust, or partially adjust, for the overpayment if the total amount of assistance paid during the two preceding months for which the child was ineligible equals or exceeds the amount of assistance for which there is eligibility in the "month of adjustment", unless hardship is determined. (W&IC 1552.3, 1560)

(a)

(a) Change in policy

C-572 (Continued)

C-572

## B. RIGHT TO REQUEST REPAYMENT

If an overpayment occurs and it is not possible to effect a complete adjustment within the current adjustment period either by decrease or discontinuance of assistance, the right to request repayment of assistance exists only in those cases in which the assistance was received as a result of false statement, misrepresentation, or other fraudulent device, and only to the extent of:

1. The unadjusted balance of the overpayment, if partial adjustment has been made in the current adjustment period, or
2. The total amount of the overpayment, if no adjustment within the current adjustment period is possible.

In the absence of fraudulent intent there is no right to request repayment except to the extent that overpayment can be adjusted within the current adjustment period.

Note: See Sec. 670-79 of the Manual of Policies and Procedures regarding erroneous payments made for which there is not valid authorization.

(Section Continued on Next Page)

If the right exists to request repayment, the county shall make a demand for repayment of the amount due. If there is evidence that the person responsible for the child was underpaid for a past month or months for which the county is required to pay retroactive aid (see Sec. C-530), the amount of repayment due may be decreased to the extent of such underpayment in lieu of issuing retroactive aid payments.

Example: During reinvestigation in December it is determined that the person responsible for the child had income in July which was unreported with fraudulent intent and which resulted in an overpayment of \$30 in that month only. Also the record shows that no action was taken to increase the warrant for an additional need of \$10 reported in August. On the basis of the reported need in August the person is entitled to \$10 retroactive aid for August. Request is made for repayment of \$20 (\$30 overpayment in July less \$10 underpayment in August).



## C-572 REPAYMENT OF ASSISTANCE

C-572

(For more complete statement, see Financial Procedures sections)

## A. REQUIREMENTS

Whenever it appears that an overpayment of assistance has been made, i.e., assistance has been paid during a period for which there was not eligibility or a greater amount of assistance has been paid than for which there was eligibility, the county shall determine:

1. Whether overpayment of assistance has been made
2. The period of overpayment
3. The reason for overpayment
4. The amount of overpayment
5. Whether or not overpayment was the result of fraudulent intent
6. Whether or not the right to request repayment exists

These determinations and the bases for the determinations shall be recorded in the narrative.

(Section Continued on Next Page)

Certified as a      ulation (or  
Regulations of the

Dept of Social Welfare  
(Name of State Agency)

C. J. Schottland  
(Signature)

Director  
(Title)

6-29-51  
(Date)



AREA OFFICES

LOS ANGELES OFFICE  
MICHIGAN 8411  
MIRROR BUILDING  
145 SOUTH SPRING STREET  
12

SACRAMENTO OFFICE  
GILBERT 2-4711  
924 9TH STREET  
14

SAN FRANCISCO OFFICE  
EXBROOK 2-8751  
GRAYSTONE BUILDING  
948 MARKET STREET  
2

Earl Warren  
Governor

STATE OF CALIFORNIA

Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 29, 1951

STATE HEADQUARTERS

SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

ADDRESS REPLY TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare with Aid to the Blind Manual Letter No. 3.

The regulations contained in this material were approved by the State Social Welfare Board on June 28, 1951, pursuant to the powers conferred upon it by the Welfare and Institutions Code, Sections 103, 103.6, 3075 and 3460, and are filed in accordance with provisions of Section 11380 of the Government Code.

Very sincerely yours,

*C. I. Schottland*

Charles I. Schottland  
Director

Attachments

Sacramento  
July 6, 1951

AID TO THE BLIND MANUAL LETTER NO. 3

The attached revisions numbered 5 through 16 are to be entered in your copy of the Manual of Policies and Procedures - Aid to the Blind and the revision numbers canceled on the inside of the Manual cover.

These revisions were adopted by the Social Welfare Board on June 28, 1951, and are effective August 1, 1951.

Sec. B-612 has been revised to include the policy of prohibiting the allowance of payments on debts as a special need, except under certain circumstances.

Sec. B-628 is a new section which incorporates the policy re increases in the amount of aid which was omitted from this Manual.

Sec. B-630, B-633, B-645, B-648, and B-672, as revised, incorporate the change in policy with respect to retroactive adjustments for under- and overpayments.

**FILED**

In the Office of the Secretary of State  
of the State of California

JUN 29 1951

At 3:20 P o'clock M.

FRANK M. JORDAN, Secretary of State

By *[Signature]* Deputy



The grant of aid shall be increased as soon as possible if a change in need and/or income causes the amount of the grant together with income to fall below the amount to which the recipient is entitled. Underpayment in months for which the recipient has already received a grant shall be adjusted by payment of retroactive aid when additional aid is found to be due the recipient under the provisions of Sec. B-630, Item 11, Retroactive Aid Payments.

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New Section - Material that should have been included in AB manual.

Special needs are not common to all recipients, but an individual recipient may have need for one or more of them. The special needs listed below shall be taken into consideration under the circumstances and within the monetary limits indicated.

Portions of this section not relative to the change are omitted from the agenda.

~~15.~~ Debts--Required payments on a debt represent special need if the debt is secured by the recipient's furniture or some other item of personal property which is a current necessity. The liquidation of debts not so secured represents a special need if the debt was for a bona fide special need and was incurred while a recipient of aid. Payments on an unsecured debt incurred while not a recipient of aid shall not be considered a current need. (W&IC 3075, 3084).

15. Debts--Required payments on an existing encumbrance against the home of an applicant represent a need to be considered in determining the cost of housing, irrespective of the purpose for which the debt was incurred. Required payments on indebtedness secured by an applicant's furniture or some other item of personal property represent a special need if the item of personal property is a current necessity, irrespective of the purpose for which the debt was incurred.

If a secured debt is incurred or increased while a recipient of aid, the reason for such new indebtedness shall be determined. If the secured indebtedness was incurred or increased for purpose of purchasing some item which could not be recognized as a need, the increase in the required encumbrance payment (or the required payment on a new encumbrance) shall not be recognized as a need when determining total need. Likewise such increase in the required encumbrance payment shall not be considered when determining net occupancy value.

(a)

The required monthly payment on an encumbrance placed by a recipient against his home shall not be considered a current need if the grant plus the income has equalled total need which included allowance for the item for which the property was encumbered (or the encumbrance increased).

The need for money to pay unsecured debts incurred while a recipient of aid, represents a special need only if the item for which the past indebtedness was incurred represents a current necessity.

No allowance shall be made for required payments on an unsecured debt incurred prior to receipt of aid.

(a) Change in policy.



Retroactive aid means aid paid in a subsequent month for some preceding month or months. All payments of aid shall be made within the month for which aid is granted except that retroactive aid shall be paid by the county in the following types of situations:

Portions of this section not relative to the change are omitted from the agenda.

11. If payment was made in conformity with the authorized award but the county subsequently determined that the recipient was eligible for a greater amount, ~~the county shall grant retroactive aid provided the board of supervisors can authorize the additional amount due before the end of the second month following that in which the underpayment occurred.~~ the following principles shall govern when determining the amount of underpayment, if any, to be adjusted by payment of retroactive aid, and the date from which retroactive aid shall be paid.

- a. Responsibility rests upon the individual to report changes in his need and income.
- b. Retroactive aid to adjust for underpayment caused by reduced income and/or increased needs shall be paid beginning with the first of the month in which a change in need and/or income is reported to the county, or the first of the month in which increased need exists, whichever is later.
- c. No retroactive aid shall be paid to adjust for underpayment in months prior to the month in which the change in need or income is reported to the county except when special circumstances prevented the individual from notifying the county of his changed need and/or income in the same month in which the change occurred.

The following are among the special circumstances to be given consideration:

- (1) Illness
- (2) The need arose too late in the month to give the recipient reasonable time in which to report the change within that month
- (3) The recipient could not have known until the last day of the month that income would not be received, or would be received in a lesser amount than previously reported
- (4) Infrequent mail service from isolated areas; etc.

(a)

(Section Continued on Next Page)

(a) Change in policy

If the changed circumstances are reported as soon as the recipient could reasonably be expected to do so but not later than the month following that in which the change occurred, retroactive aid shall be paid from the first of the month in which underpayment occurred, rather than from the first of the month in which the change in need or income was reported. The case record shall show the reason for granting retroactive aid for a month prior to the month in which changed circumstances were reported.

- d. The total need for a particular month shall be determined on the basis of the total need in that month. Need shall not be increased by carrying forward any deficiency between total need in a prior month and the sum of the grant and the income in such prior month.

(a)

The elapsed time may be such that the county cannot authorize the additional amount due before the end of the second month following that in which underpayment occurred. Under these circumstances, Any retroactive aid found to be due after applying the foregoing principles shall be paid irrespective of whether the additional amount due can be authorized by the board of supervisors prior to the end of the second month following the month for which retroactive aid is determined to be due. The county may grant the additional amount due without the necessity of appeal or SDSW concurrence provided the board of supervisors can authorize the additional aid before the expiration of one year, including the month in which the recipient was underpaid. (See Sec. B-752, Federal Participation.) (W&IC 3075, 3078.5, 3460; AGO NS 4670)



Under certain circumstances, adjustment for overpayment is made by an appropriate decrease in the grant if the recipient remains otherwise eligible. Such decrease shall be made as soon as administratively possible after the necessity for such adjustment becomes known, but in no event may the decrease be effective later than the second month following that in which the overpayment occurred.

The extent of the overpayment together with the income may be such that full adjustment for the overpayment cannot be made by decreasing the grant (or discontinuing aid for one month - see Sec. B-648) in the second month following that in which the overpayment occurred. Under such circumstances delivery of the warrant for an earlier month should be withheld, if possible. The withheld warrant should then be cancelled and rewritten in the decreased amount authorized by the board of supervisors, unless a repayment has already been made.

Example: An ANB recipient with total need of \$90 a month and net rental income of \$20 has been receiving a grant of \$70. On February 18 he starts receiving and reports immediately \$25 additional non-exempt income to be received each month. If it is too late to make the adjustment in March, the county would normally make the adjustment in April. Meanwhile, overpayment of \$25 would have occurred in each of the months of February and March. In computing the adjustment to be made in April it is obvious that complete adjustment for the overpayment cannot be made in the April warrant because the \$50 overpayment for February and March exceeds \$45, the amount of aid to which he would otherwise be entitled in April (\$90 need minus \$45 income) had no overpayment occurred. The March warrant is held and cancelled. The board of supervisors authorizes the decrease for March and the cancelled warrant is rewritten in the amount of \$20 for March. The grant is then adjusted upward for April to \$45 (need \$90, income \$45).

(a)

The month for which aid is decreased is known as the "month of adjustment." (See Sec. B-648 for adjustment by discontinuance of aid if the overpayment to be adjusted is in such amount that the otherwise eligible recipient would be entitled to receive no payment in the month of adjustment.)

A. Overpayment Due to Income (and/or Change in Total Need in ANB)

1. If income (and/or a change in total need in ANB) of the recipient causes the amount of the grant, together with the income, to exceed the amount for which he is eligible, the adjustment shall take into consideration the non-exempt income (and total needs in ANB) plus all overpayments which occurred during the two preceding months.

Example: In December the county discovers that an ANB recipient secured steady work earning \$65 in November and thereafter. Total monthly need in November and December \$85. The recipient was eligible in November and December for \$70, (\$85 less \$15) but received \$85, resulting in a \$15 overpayment in each of these months.

(Section Continued on Next Page)

(a) Change in Policy.

In January the need is \$85 and income continues at \$65. Aid is reduced effective January 1 to \$40 (\$85 less \$30 overpayment in November and December and \$15 income in January). \$15 of the earnings each month are non-exempt and deductible.

2. When determining total need for the particular month, no consideration shall be given to needs which had not been reported to the county in accordance with Sec. B-630, Retroactive Aid Payments, Item 11-c.

If the changed circumstances are reported as soon as the recipient could reasonably be expected to do so, but not later than the month following that in which the change occurred, the need shall be recognized for the month in which it occurred rather than in the month reported.

3. The amount of the grant for the "month of adjustment" shall be determined by subtracting overpayment for the two preceding months from the amount of aid to which the recipient would have been entitled in the month of adjustment had no overpayment occurred. The need in the month of adjustment (or the need in any other month) shall not be increased by carrying forward any deficiency between the total need in a previous month and the sum of the grant and the income in such previous month.

Example: In April an ANB recipient reports that he secured steady work earning \$65 net income in November and thereafter. Total need in March and April was \$90. The recipient was eligible in March and April for \$75 (\$90 less \$15 non-exempt income) but received \$85, resulting in a \$10 overpayment in each of these months. The recipient would have been entitled to receive \$75 in May had no overpayment occurred. Aid is decreased effective May 1st to \$55 (\$75 minus \$20 overpayment - \$10 in each of the months of March and April). (Repayment is requested to the extent of the overpayment occurring between November 1 and February 28 if fraud is involved.)

(a)

4. A decrease in the grant (or a cash adjustment by means of a refund from the current income including the grant to which the recipient is currently eligible) shall not be made because of income received prior to the second month preceding the current month, month of adjustment. If the overpayment resulting from increased income is discovered too late to adjust the grant within this time limit, and the delay in discovering the income was caused by fraud, request for repayment from resources other than the income including the current grant is in order under shall be governed by the provisions of Sec. B-672, Right to Request Repayment of Aid.

(Section Continued on Next Page)



5. If the exact amount of income for a given month is known in advance, or it is known in advance that a particular special need will no longer exist, any necessary decrease in the grant shall be made for the month in which such income is expected to be received. (a)
3. 6. If the total income for a given month can be determined only during the month in which it is received, or during the subsequent month, any necessary decrease in the grant shall become effective not later than the second month subsequent to that in which the income is received.
4. 7. If the income is irregular and cannot be foretold, adjustment by means of a refund may be made within the current adjustment period, in lieu of decreasing the grant.

Example: A single ANB recipient having no income and no need in excess of \$85 a month secures employment in October. The county ascertains on October 15 that he was paid \$65 which represented net income. (Of this income, \$50 is exempt.)

Adjustment may be made in either of two ways, i.e.:

- a. Decrease in aid effective November ~~/first~~ or not later than December ~~/first~~;

or

- b. Repayment by the recipient of \$15 in November or December.

#### B. Overpayment Due to Excess Personal or Real Property

If real or personal property has exceeded the legal limitation during ~~the current adjustment period~~ but has later been reduced within the maximum, thus making the recipient eligible for continued aid, the grant is decreased within ~~the current adjustment period~~ as follows: to adjust for overpayment, if any, which occurred in the two months preceding the month of adjustment. Overpayment occurred for any month in which property was excessive on the first day of the month. (a)

1. Overpayment Due to Fraud--The grant is adjusted by deducting the amount of aid paid during the one and/or two months preceding the month of adjustment from the amount to which the recipient would otherwise be eligible in the month of adjustment.

(Section Continued on Next Page)

Example: The county discovers on December 16 that an ANB recipient's property totaled \$1,212 since July 1. Fraud existed because the recipient admitted he did not report the change in his circumstances as he did not wish the grant of \$20 stopped. By January 1 the property is reduced within the amount allowable. Total need in January, the month of adjustment, is \$85 and the recipient has \$15 income from a son in that month. He would be entitled to receive \$70 were it not for the overpayment due to excess personal property. Adjustment is in order for the full amount of aid paid in November and December (\$40), and the grant effective January 1 is reduced to \$30 (\$70 - \$40). (The unadjusted remainder of overpayment for the period July 1 through October 31, is subject to collection under provisions of Sec. B-672, Repayment of Aid.)

If the discovery of the excess property occurs too late to make the adjustment effective not later than the second month following that in which ineligibility existed the right exists to request repayment under Sec. B-672.

2. Overpayment-Due-to-Mistake-of-Fact Recipient Failed to Disclose Facts Believing Them to be Immaterial to Eligibility or had no Knowledge of the Facts--The grant is adjusted by deducting the largest amount by which the property exceeded the legal limitation during the two months preceding the month of adjustment or the amount of aid received, whichever is the lesser, from the amount to which the recipient would otherwise be entitled in the month of adjustment. If the discovery of excess property occurs too late to make the adjustment effective not later than the second month following that in which the overpayment occurred, there is no right to request repayment.

(a)

Example: During November, the county discovers that a recipient was ineligible for ANB on October 1, as the total value of his cash and securities was \$1,227. This value remained the same on November 1, but during November was reduced within the amount allowable. The recipient's regular monthly income was \$15, total monthly need in October and November \$100, and he received the maximum grant of \$85. Although the recipient was ineligible in both October and November, the overpayment was not due to fraud and adjustment is in order only for the excess of \$27. On the basis of income alone the recipient is entitled December 1 to \$85 ANB. Since the excess property is not applicable toward unmet need, it is deducted from the grant for which he would otherwise be eligible. The grant for December is, therefore, \$58 (\$85 less \$27 excess property).

Broken periods of ineligibility may have occurred due to fluctuation in the value of the same holdings, i.e., the recipient did not add to his bank account or other items of personal property and the ineligibility resulted solely from fluctuation in the market value of his holdings, as in the case of corporation

(a)

(Section Continued on Next Page)



stock. Under such circumstances determine in which one of the several ineligible periods the property reached the highest excess. If ineligibility existed in the first and/or second month preceding the month of adjustment, the grant for which the recipient would otherwise be eligible in the month of adjustment shall be decreased to the extent of the highest excess in that period.

- C. Overpayment Due to Reason Other Than Income or Excess Property--If overpayment has occurred for reason other than income (and/or change in need) or excess property, and the circumstances have so changed that the recipient is eligible to receive aid in the month of adjustment, the grant to which there would otherwise be eligibility in that month is decreased to the extent of the overpayment occurring within the two months preceding the month of adjustment.

If the ineligibility was discovered too late to make the adjustment effective not later than the second month following that in which ineligibility existed, there is no right to request repayment if the delay in discovering the ineligibility was due to mistake of fact not with fraudulent intent. If the delay was due to fraud, request for repayment to the extent of the aid paid during the months of ineligibility would be in order under Sec. B-672, Right to Request Repayment of Aid.

- D. Overpayment When Two Ineligibility Factors Exist Concurrently

(a)

Two causes of ineligibility may exist concurrently, i.e., the recipient may have been overpaid because of income (and/or change in need), and during the same period personal property holdings may have been excessive. Compute the total amount of repayment due on the basis of each cause of ineligibility. Adjustment and/or request for repayment shall then be based upon the single eligibility factor which resulted in the larger amount of repayment due. If circumstances have so changed that the recipient is currently eligible, and adjustment can be made not later than the second month following a month in which overpayment occurred, proceed as herein outlined in A, B, or C, whichever is appropriate.

- E. Offsetting Under and Overpayments Within the Two Months Preceding the Month of Adjustment

Circumstances may arise wherein the recipient is overpaid during one of the two months preceding the month of adjustment and is entitled to receive retroactive aid for the other month. In lieu of issuing a retroactive aid payment for one of the two months preceding the month of adjustment, the amount of overpayment occurring in the other month may be reduced to the extent of the amount of retroactive aid due for the month in which the recipient was underpaid. The amount of overpayment so reduced shall then be considered in determining the grant for the month of adjustment.

(Section Continued on Next Page)

Example: On May 29 an ANB recipient receiving \$20 income and a \$65 grant reports a medical need in that month costing \$10. Thus his need for May is increased to \$95. Since he received \$65 for May and was entitled to receive \$75, retroactive aid in the amount of \$10 is due for May to adjust the underpayment. He also reports that beginning in June continuing income will be increased to \$50 a month. His need and income in June are such that he is entitled to receive a grant of \$45 for that month. It is too late to adjust the June payment so in June he receives a \$65 payment whereas he was entitled to \$45 only, an overpayment of \$20. The overpayment in June is considered to be reduced to the extent of the \$10 underpayment in May, a net overpayment of \$10. Had it not been for the overpayment, the recipient would have been entitled to receive a \$45 grant for July. This amount less the \$10 net overpayment results in a \$35 grant for July. No retroactive aid is paid for May.

Should the underpayment in one of the two months preceding the month of adjustment exceed overpayment in the other month, the amount of retroactive aid to be granted for the month in which underpayment occurred shall be reduced to the extent of the overpayment in such other month. No grant adjustment for the overpayment is necessary. (W&IC 3075, 3084, 3460, 3472; AGO NS4473)

(a)



If a recipient is eligible on the first day of the month, but eligibility status changes at some time during that month for any reason, no overpayment occurs if aid is discontinued at the end of that particular month.

Example 1: A recipient received \$85 on December 1. On December 5 he received \$400 cash through inheritance which caused his personal property holdings to exceed \$1,200. Aid is discontinued December 31. No repayment is due. If aid is discontinued effective with the last day of the month following that in which ineligibility occurred, overpayment began in the month in which the income was received (and/or change in need occurred) even though the recipient was eligible on the first day of that month.

Example 2: An ANB recipient having no income and no need in excess of \$85 received an \$85 grant on October 1. On October 17 he began receiving a regular monthly non-exempt income of \$95. He did not report the income until November 13. Meanwhile he received and cashed his November warrant. Overpayment occurred in both October and November (because the income received in each of those months exceeded total need). (a)

Under all other circumstances ineligibility does not begin until the first of the month following that in which the changed circumstances occurred.

Example 3: An ANB recipient owning no personal property on October 1 received a \$1,500 inheritance on October 17. He did not report the inheritance until November 13. Meanwhile he had received and cashed his November warrant. Overpayment occurred in November only (because he was eligible when the October aid was "paid to him," but was not eligible when the November aid was "paid to him." (W&IC 3075, 3084, 3460, 3472)

If the recipient is no longer eligible, aid shall be discontinued. The discontinuance shall be effective as soon as administratively possible after the necessity for discontinuance becomes known. If the ineligibility is not discovered by the county in time to discontinue the aid not later than the last day of the month following that in which the ineligibility occurred, aid shall continue if the recipient is otherwise eligible.

If the disqualifying facts are discovered too late to discontinue aid effective not later than the last day of the month following that in which the ineligibility occurred, or when the discontinuance does not totally adjust the overpayment, right of collection exists only if there is fraud. (See Sec. B-672, Right to Request Repayment of Aid.)

If the amount of overpayment is equal to or greater than the amount of the grant ~~to~~ for which the recipient would otherwise be eligible in the month of adjustment, aid shall be discontinued for one month. The month for which aid is discontinued is known as the "month of adjustment." (If the amount of the overpayment is less than the amount of the grant ~~to~~ for which the recipient would otherwise be eligible in the month of adjustment, aid shall be decreased to the extent of the overpayment.) The need in the month of adjustment shall not be increased by carrying forward any deficiency between the total need in a previous month, and the sum of the grant and the income in such previous month. Likewise any such deficiency shall not be considered when determining the amount of overpayment in any previous month.

(a)

When determining total need for a particular month, no consideration shall be given to needs which had not been reported to the county in accordance with Sec. B-630, Retroactive Aid Payments, Item 11C.

Adjustment for Overpayment--If a delay in discovery of the ineligibility makes it impossible to discontinue aid effective the last day of the month in which there was ineligibility, but discontinuance of aid for an otherwise eligible recipient is effective the last day of the following month, the discontinuance adjusts for overpayment during the two months preceding the month of adjustment, i.e., the month for which aid is discontinued, to the extent of the amount of aid to which the recipient was eligible in the month of adjustment. Any unadjusted remainder of the overpayment is subject to repayment under the provisions of Sec. B-672 only if the overpayment was due to fraud.

Example: On November 15 the county learns that an ANB recipient earned \$150 in October and \$60 in November. He received \$85 aid in each of those months. Aid is discontinued effective November 30 and restored effective January 1. The recipient's total need both in October and November was \$90. In December his need was \$85 and in that month he began receiving a contribution of \$5 from his son, leaving an unmet need of \$80 in December. The \$90 overpayment is adjusted to the extent of \$80 and repayment of \$10 shall be requested if the recipient committed fraud. If he has no resources other than his income including the grant to which he is currently eligible, repayment may not be required until and unless the recipient at some future time is possessed of resources from which repayment can be made.

Discontinuance of aid is effective as of the last day of the month for which the last warrant was delivered. (W&IC 3075, 3078.5, 3084, 3460, 3472; AGO NS 4473)

(a) Change in policy



If an overpayment occurs and it is not possible to effect a complete adjustment within the current adjustment period either by decrease or discontinuance of aid, the right to request repayment of aid exists only in those cases in which the aid was received as the result of false statement, misrepresentation, or other fraudulent device, and only to the extent of:

1. The unadjusted balance of the overpayment, if partial adjustment has been made in the current adjustment period, or
2. The total amount of the overpayment, if no adjustment within the current adjustment period is possible.

In the absence of fraudulent intent there is no right to request repayment except to the extent that overpayment can be adjusted within the current adjustment period.

If the right exists to request repayment, the county shall make a demand for repayment of the amount due. If there is evidence that the recipient was underpaid for a past month or months for which the county is required to pay retroactive aid (see Sec. B-630, Item 11), the amount of repayment due may be decreased to the extent of such underpayment in lieu of issuing retroactive aid payments.

Example: During reinvestigation in December it is determined that the recipient had non-exempt income in February which was unreported with fraudulent intent and which resulted in an overpayment of \$30 in that month only. Also the record shows that no action was taken to allow for a special medical need in June which the recipient reported in that month. On the basis of the reported need in June, the recipient is entitled to \$10 retroactive aid for June. Request is made for repayment of \$20 (\$30 overpayment in February less \$10 underpayment in June).

(a)

(W&IC 3006, 3075, 3405, 3460; AGO 47/307)

Certified as a F lation (or  
Regulations of the

Dept of Social Welfare  
(Name of State Agency)

C. D. Schottland  
(Signature)

Director  
(Title)

6-29-57  
(Date)



MAIN OFFICE  
SACRAMENTO  
GILBERT 2-4711  
616 K STREET  
14

LOS ANGELES OFFICE  
MICHIGAN 8411  
MIRROR BUILDING  
145 SOUTH SPRING STREET  
12

SAN FRANCISCO OFFICE  
EXBROOK 2-8751  
GRAYSTONE BUILDING  
948 MARKET STREET  
2

T-2  
CH-2  
Earl Warren  
Governor

STATE OF CALIFORNIA

## Department of Social Welfare

CHARLES I. SCHOTTLAND  
DIRECTOR

June 29, 1951

IN REPLY PLEASE REFER  
TO:

Hon. Frank M. Jordan  
Secretary of State  
Room 109, State Capitol  
Sacramento, California

Dear Mr. Jordan:

Attached are three copies of regulations issued by the State Department of Social Welfare with Manual Letter No. 152.

These regulations were adopted by the State Social Welfare Board on June 28, 1951, pursuant to the powers conferred upon it by the Welfare and Institutions Code under Sections 103, 103.5, 103.6, and 114b, and are being filed in accordance with Section 11380 of the Government Code.

Very sincerely yours,

*C. I. Schottland*

Charles I. Schottland  
Director

Attachments

FILED

the Office of the Secretary of State  
of the State of California

Sacramento 14  
July 6, 1951

JUN 29 1951

At 3:20 o'clock P. M.

FRANK M. JORDAN, Secretary of State

By *[Signature]* Deputy

MANUAL LETTER NO. 152

The attached revisions are to be entered in your copy of the Manual of Policies and Procedures and the revision numbers canceled on the separators of the revised chapters. The revision numbers are as follows:

Continuing Services  
Financial Procedures

Revisions 236 through 257  
Revisions 537 through 540

These revisions were adopted by the Social Welfare Board on June 28, 1951, and are effective August 1, 1951.

Sections 361-00, 361-10, 361-25 and 361-50, as revised, represent major changes in policy in relation to determination of need, circumstance under which retroactive aid shall be paid, and the method of computing the payment in the month of adjustment to adjust for overpayment within the two preceding months.

Note that responsibility rests upon the recipient to report changes in need and income, and that no consideration is given to unreported needs which existed prior to the month in which they were reported. Revised policies also provide that the need for any particular month shall not be increased by carrying forward any deficiency between total need in a prior month and the sum of the grant and the income in such prior month.

Under the revised policy the current adjustment period no longer governs the month for which payment of retroactive aid is mandatory. Rather, the payment of retroactive aid to adjust for underpayment goes back to the month in which the change in need or income was reported, even though such month may be prior to the second month preceding the month of adjustment.

Hitherto when overpayment has occurred within the current adjustment period because of income or a change in need, the overpayment within the current adjustment period has been subtracted from total need in the month of adjustment. Note that revised policy requires the overpayment to be subtracted from the amount of aid to which the recipient would otherwise be eligible in the month of adjustment. Thus the method of determining the grant for the month of adjustment is the same irrespective of whether the overpayment was due to income, change in need, excess property, or other reason.

Section 670-76 has been revised to include principles inherent in the sections mentioned immediately above, and to set out those circumstances under which over and underpayment may offset each other.

Sec. 610-40 has been revised to eliminate the words "an eligible relative" which erroneously implied that federal participation is available in foster home cases.



(a)

The grant of aid shall be increased as soon as administratively possible when if a decrease change in need and/or income causes the amount of the grant together with income to fall below the amount to which the recipient (or child in ANC) is entitled. under the provisions of the law for the particular category of aid. Underpayment in months for which the recipient has already received a grant shall be adjusted by payment of retroactive aid when additional aid is found to be due the recipient under the provisions of Section 361-25, Retroactive Aid Payments By County, Item 11.

(b)

In OAS and ANB when If monthly interest payments in decreasing amounts (which have not been determined an inconsequential resource) are received, either of the two following methods may be used for adjusting the grant.

1. The total amount of income from this source may be determined for each three-month period. Any necessary adjustment in the grant may be made in the first or not later than the second month following the end of the three-month period for which the amount was determined.
2. The total amount of income from this source may be determined for the ensuing twelve-month period and the monthly average thereof taken into consideration in making any necessary adjustment in the monthly grant. (W&IC 1560, 2140)

(a)

(a) In ANC Manual and AB Manual.

(b) Change in policy

The grant of aid shall be decreased as soon as possible if a change in total need and/or income causes the amount of the grant together with the income to exceed the recipient's total need.

If the exact amount of income to be received in a given month is known in advance, or it is known in advance that a particular special need will no longer exist, any necessary decrease in the grant shall be made effective with the month in which such changed circumstances will occur.

Example 1: The county determines on October 10 that a recipient will receive his first \$20 monthly payment from an annuity in November. The income plus the current grant will exceed total need. The grant is decreased effective November 1.

Example 2: It is known in advance that a \$10 special need allowance must be deleted from the recipient's total need determination beginning May 1 because allowance for the full cost of the roof repair will have been made by that time. Any necessary adjustment in the grant shall be made effective May 1.

Under certain circumstances adjustment for overpayment is made by an appropriate decrease in the grant if the recipient remains otherwise eligible. Such decrease shall be made as soon as possible after the necessity for such adjustment becomes known, but in no event may the decrease be effective later than the second month following that in which the overpayment occurred.

(a)

The extent of the overpayment together with the income may be such that full adjustment for the overpayment cannot be made by reducing the grant (or discontinuing aid for one month - see Sec. 361-50) in the second month following that in which the overpayment occurred. Under such circumstances delivery of the warrant for an earlier month should be withheld, if possible. The withheld warrant should then be cancelled and rewritten in the decreased amount authorized by the board of supervisors, unless repayment has already been made.

Example 3: An OAS recipient with total need of \$80 a month and net rental income of \$20 has been receiving a grant of \$60. On February 18 he starts receiving and reports immediately \$25 additional income to be received each month. If it is too late to make the adjustment in March, the county would normally make the adjustment in April. Meanwhile, overpayment of \$25 would have occurred in each of the months of February and March. In computing the adjustment to be made in April it is obvious that complete adjustment for the overpayment cannot be made in the April warrant because the \$50 overpayment for February and March exceeds \$35 (\$80 less \$45), the amount of aid to which he would otherwise be entitled in April had no overpayment occurred. The March warrant is held and cancelled. The board of supervisors authorizes the decrease for March and the canceled warrant is rewritten for \$10, the amount to which he would otherwise be entitled in March (\$35) less the overpayment in February (\$25). The grant is then adjusted upward for April to \$35 (need \$80, income \$45).

(Section Continued on Next Page)

(a) Change in policy and incorporation of ANC into ANC Manual, and ANB and APSB into AB Manual.



The month for which aid is decreased is known as the "month of adjustment." (See Sec. 361-50 for adjustment by discontinuance of aid if the overpayment to be adjusted is in such amount that the otherwise eligible recipient would be entitled to receive no payment in the month of adjustment.)

# I. Overpayment Due to Income (and/or Change in Total Need)

Overpayment occurs when the income and/or the need in a particular month causes the amount of the grant together with the income to exceed total need for that month.

When determining total need for the particular month, no consideration shall be given to needs which had not been reported to the county prior to the end of the particular month except when special circumstances prevented the recipient from notifying the county of his changed circumstances before the end of that month.

Special circumstances include:

## Illness

The need arose too late in the month to give the recipient reasonable time in which to report the need within the month

Infrequent mail service from isolated areas, etc.

If the changed circumstances are reported as soon as the recipient could reasonably be expected to do so, but not later than the month following that in which the change occurred, the need shall be recognized for the month in which it occurred rather than in the month reported.

The amount of the grant for the "month of adjustment" shall be determined by subtracting the amount of overpayment occurring in the two preceding months from the amount of aid to which the recipient would have been entitled in the month of adjustment, had no overpayment occurred. The need in the month of adjustment (or the need in any other month) shall not be increased by carrying forward any deficiency between the total need in a previous month and the sum of the grant and the income in such previous month.

Example 4: In April an OAS recipient reports that he secured steady work earning \$15 net income in November and thereafter. Total need in March and April was \$80. The recipient was eligible in March and April for \$65 (\$80 less \$15) but received \$75, resulting in a \$10 overpayment in each of these months. The recipient would have been entitled to receive \$65 in May had no overpayment occurred. Aid is decreased effective May 1 to \$45 (\$65, the amount to which he would have been entitled had no overpayment occurred, less \$20, the overpayment in March and April). (Repayment is requested to the extent of the overpayment occurring between November 1 and February 28.)

A decrease in the grant (or cash adjustment by means of a refund from the current income including the grant for which the recipient is currently eligible shall not be made because of overpayment prior to the second month preceding the month of adjustment. If an overpayment resulting from increased income (and/or reduced need) is discovered too late to adjust the grant within this time limit, request for repayment shall be governed by Sec. 670-76, Right to Request Repayment of Aid.

## II. Overpayment Due to Excess Personal or Real Property

If real or personal property has exceeded the legal limitation but has been reduced within the maximum, thus making the recipient eligible for continued aid, the grant shall be decreased to adjust for overpayment, if any, which occurred in the two months preceding the month of adjustment. Overpayment occurred for any month in which property was excessive on the first day of the month. (If there was an overpayment prior to the two months preceding the month of adjustment, such overpayment is subject to collection under the provisions of Sec. 670-76, Right to Request Repayment of Aid.)

### A. Recipient Purposely Withheld (or Misrepresented) the Facts

The grant shall be adjusted by deducting the amount of aid paid during the one and/or two months preceding the month of adjustment (provided property was excessive on the first day of either or both of those months) from the amount for which the recipient would otherwise be eligible in the month of adjustment.

Example 5: The county discovers on December 16 that an OAS recipient's personal property totaled \$1,212 since July 1. The recipient admitted he did not report the change in his circumstances as he did not wish his grant of \$20 stopped. By January 1 the property is reduced within the amount allowable. Total need in January, the month of adjustment, is \$95 and the recipient has \$15 income in that month. He would be entitled to receive \$75 were it not for the overpayment in November and December due to excess personal property. Effective January 1 the grant is reduced to \$35 (\$75, the amount he would receive had there been no overpayment, less \$40, the total amount of aid paid for November and December). (The overpayment for the period July 1 through October 31, is subject to collection - see Sec. 670-76.)

(a)

### B. Recipient Failed to Disclose Facts Believing Them To Be Immaterial to Eligibility

If property was excessive on the first day of either or both of the two months preceding the month of adjustment, determine the largest amount by which the property was excessive on any day during such ineligible period. This amount, or the amount of aid paid in those two months,

(Section Continued on Next Page)

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(a) Change in policy and incorporation of ANC into ANC Manual and ANB and AFSB into AB Manual.



whichever is the lesser, shall be deducted from the amount to which the recipient would otherwise be entitled in the month of adjustment. If there was continuous ineligibility because excess property existed both during and prior to the two months preceding the month of adjustment and the highest excess in the total period of ineligibility was greater than the amount adjusted through the decrease, the unadjusted remainder is subject to collection.

Example 6: During November the county discovers that an OAS recipient was ineligible on October 1, as total value of his personal property was \$1,207. This value increased to \$1,227 on October 20, was reduced to \$1,220 by November 1, and during November was further reduced within the amount allowable. The recipient failed to report the increase in his personal property holdings because he believed the increase had no bearing upon his eligibility. His total need in December is \$100 and he has \$20 income. Had there been no overpayment in October or November the recipient would have been entitled to a \$75 grant for December. The highest amount of excess (\$27) is deducted from the grant for which he would otherwise be eligible in December. The grant for December is, therefore, \$48 (\$75 less \$27 excess property).

(a)

Example 7: The county discovers on February 5 that an OAS recipient's personal property had been excessive since last September 1st. Personal property had gradually been reduced from a maximum of \$1,335 in September. The highest excess between January 1 and February 28 was \$17. By March 1 the personal property is reduced within the amount allowable. Although the recipient was ineligible from September through February, it is determined that he failed to disclose the facts because he believed they were immaterial to his eligibility. Thus adjustment is in order only for the highest amount of the excess. Were it not for the overpayment which occurred in January and February the recipient would be entitled to receive a grant in March of \$70. The highest amount by which personal property was excessive between January 1 and February 28, the two months preceding the month of adjustment, was \$17. The March grant is reduced to \$53 (\$70 less \$17 excess). The highest excess personal property during the total period of ineligibility was \$135. Of this excess \$118 remains unadjusted (\$135 maximum excess less the \$17 adjusted by decrease in March grant). This unadjusted excess is subject to collection under the provisions of Sec. 670-76.

If the discovery of the excess property occurs too late to make the adjustment effective not later than the second month following that in which ineligibility existed, the right exists to request repayment.

(Section Continued on Next Page)

- (a) Change in policy and incorporation of ANC into ANC Manual and ANB and AFSB into AB Manual.

Broken periods of ineligibility may have occurred due to fluctuation in the value of the same holdings, i.e., the recipient did not add to his bank account or other items of personal property and the ineligibility resulted solely from fluctuation in the market value of his holdings, as in the case of corporation stock. Under such circumstances, determine in which one of the several ineligible periods the property reached the highest excess. If ineligibility existed in the first and/or second month preceding the month of adjustment, the grant ~~for~~ which the recipient would otherwise be eligible in the month of adjustment shall be decreased to the extent of the highest excess in that period. Any unadjusted balance of the repayment due is subject to collection.

(a)

C. Recipient Had No Knowledge of the Facts

Any overpayment during the two months preceding the month of adjustment shall be adjusted as set forth in ~~Sec. II-B~~ II-B, Recipient Failed to Disclose Facts Believing Them To Be Immaterial to Eligibility. There is no right to request repayment for overpayment which occurred in months prior to the second month preceding the month of adjustment. (See Sec. 670-76)

III. Overpayment Due to Reason Other Than Income or Excess Property

If overpayment occurred for reason other than income (and/or change in need) or excess property and the circumstances have so changed that the recipient is eligible to receive aid in the month of adjustment, the grant for which the recipient would otherwise be eligible in that month is decreased to the extent of the repayment due for the two months preceding the month of adjustment.

Example 8: An OAS recipient's application was signed on October 6. Aid in the amount of \$75 was granted from October 1. Since aid may not antedate the signing of the application the recipient was overpaid for five days in October or \$12.10. Were it not for the overpayment which occurred in October the recipient would be entitled to receive \$75 in November. The grant for that month is decreased to \$62.90 (\$75 less \$12.10) and increased to \$75 effective December 1.

If the ineligibility is discovered too late to make the adjustment effective not later than the second month following that in which ineligibility occurred, the right exists to request repayment only if the recipient purposely withheld information in order to obtain aid to which he was not entitled.

IV. Overpayment When Two Ineligibility Factors Exist Concurrently

Two causes of ineligibility may exist concurrently, i.e., the recipient may have been overpaid because of income (and/or change in need), and

(Section Continued on Next Page)

(a) Change in policy and incorporation of ANC into ANC Manual and ANB and APSB into AB Manual.



during the same period personal property holdings may have been excessive. Compute the total amount of repayment due on the basis of each cause of ineligibility. Adjustment and/or request for repayment shall then be based upon the single eligibility factor which resulted in the larger amount of repayment due. If circumstances have so changed that the recipient is currently eligible, and adjustment can be made not later than the second month following a month in which overpayment occurred, proceed as herein outlined in I, II, or III, whichever is appropriate.

V. Offsetting Under and Overpayments Within the Two Months Preceding the Month of Adjustment

Circumstances may arise wherein the recipient is overpaid during one of the two months preceding the month of adjustment, and is entitled to receive retroactive aid for the other month. In lieu of issuing a retroactive aid payment for one of the two months preceding the month of adjustment, the amount of overpayment occurring in the other month may be reduced to the extent of the amount of retroactive aid due for the month in which the recipient was underpaid. The amount of overpayment so reduced shall then be considered in determining the grant for the month of adjustment.

(a)

Example: On May 29 an OAS recipient receiving \$10 income and a \$65 grant reports a medical need in that month costing \$10. Thus his need for May is increased to \$85. Since he received \$65 for May and was entitled to receive \$75, retroactive aid in the amount of \$10 is due for May to adjust the underpayment. He also reports that beginning in June his continuing income will be increased to \$30 a month. His need and income in June are such that he is entitled to receive a grant of \$45 for that month. It is too late to adjust the June payment so in June he receives a \$65 payment whereas he was entitled to \$45 only, an overpayment of \$20. The overpayment in June is considered to be reduced to the extent of the \$10 underpayment in May, a net overpayment of \$10. Had it not been for the overpayment, the recipient would have been entitled to receive a \$45 grant for July. This amount, less the \$10 net overpayment, results in a \$35 grant for July. No retroactive aid is paid for May.

- (a) Change in policy and incorporation of ANC into ANC Manual and ANB and APSB into AB Manual.

Should the underpayment in one of the two months preceding the month of adjustment exceed overpayment in the other month, the amount of retro-active aid to be granted for the month in which underpayment occurred shall be reduced to the extent of the overpayment in such other month. No grant adjustment for the overpayment is necessary.

(a)

Full detail shall be recorded in the case record whenever underpayment within the two months preceding the month of adjustment is considered to be offset by overpayment within those two months, or vice versa.  
(W&IC 2020, 2140 , AGO NS4473)

(a) Change in policy and incorporation of ANC into ANC Manual and ANB and AFSB into AB Manual.



Retroactive aid means aid paid in a subsequent month for some preceding month or months. All payments of aid shall be made within the month for which aid is granted (see Sec. 611-50, Beginning Date of Aid--New Applications) except that retroactive aid shall be paid by the county in the following types of situations (see Sec. 626-50, Supplemental Aid Claims):

Portions of this section not relative to changes are omitted from the agenda.

11. When payment was made in conformity with the authorized award but the county subsequently determines that the recipient was eligible for a greater amount. ~~the county shall grant retroactive aid provided the board of supervisors can authorize the additional amount due before the end of the second month following that in which underpayment occurred.~~ The following principles shall govern when determining the amount of underpayment, if any, to be adjusted by payment of retroactive aid, and the date from which retroactive aid shall be paid.

- a. Responsibility rests upon the individual to report changes in his need and income.
- b. Retroactive aid to adjust for underpayment caused by reduced income and/or increased needs shall be paid beginning with the first of the month in which a change in need and/or income is reported to the county, or the first of the month in which increased need exists, whichever is later.
- c. No retroactive aid shall be paid to adjust for underpayment in months prior to the month in which the change in need or income is reported to the county except when special circumstances prevented the individual from notifying the county of his changed need and/or income in the same month in which the change occurred. The following are among the special circumstances to be given consideration:

Illness

The need arose too late in the month to give the recipient reasonable time in which to report the change within that month

The recipient could not have known until the last day of the month that income would not be received, or would be received in a lesser amount than previously reported

Infrequent mail service from isolated areas, etc.

If the changed circumstances are reported as soon as the recipient could reasonably be expected to do so, but not later than the month following that in which the change occurred, retroactive aid shall be paid from the first of the month in which underpayment occurred, rather than from the first of the month the change in need or income was reported. The case records shall show the reason for granting retroactive aid for a month prior to the month in which changed circumstances were reported.

(b)

d. The total need for a particular month shall be determined on the basis of the total need in that month. Need shall not be increased by carrying forward any deficiency between total need in a prior month and the sum of the grant and the income in such prior month.

(a)

~~The elapsed time may be such that the county cannot authorize the additional amount due before the end of the second month following that in which underpayment occurred. Under these circumstances~~  
Any retroactive aid found to be due after applying the foregoing principles shall be paid irrespective of whether the additional amount due can be authorized by the board of supervisors prior to the end of the second month following the month for which retroactive aid is determined to be due. The county may grant the additional amount due without the necessity of appeal or SDSW concurrence provided the board of supervisors can authorize the additional aid before the expiration of one year, including the month in which the recipient was underpaid. (See Sec. 670-76 for explanation of offsetting under and overpayments occurring in period prior to 2 months preceding month of adjustment and Sec. 361-10 for offsetting under and overpayments within the 2 months preceding month of adjustment.)

(a)

(a)

(See Sec. 627-30, Federal Participation.) (W&IC 2140, 2220; AGO NS 4670; FSS-Admin.)



361-50 DISCONTINUANCE OF AID  
OAS

361-50

I. Discontinuance Due to Continuing Ineligibility

Aid shall be discontinued when the recipient's circumstances are such that he no longer meets the eligibility requirements. The discontinuance shall be effective as soon as possible after the necessity for discontinuance becomes known. However, aid shall continue to an otherwise eligible recipient if the past ineligibility is not discovered in time to discontinue aid effective not later than the last day of the month following that in which ineligibility occurred. Under these circumstances request for repayment during such past period shall be determined in accord with Sec. 670-76, Right to Request Repayment of Aid.

If a recipient is eligible on the first day of the month but a change in circumstances during the month renders him ineligible for further payments, no repayment is required, provided aid is discontinued effective the last day of that same month.

- (a) New policy and incorporation of ANC into ANC Manual and ANB & APSB into AB Manual.

Example 1: An OAS recipient having no income and no need in excess of \$75 received a \$75 grant on October 1. On October 17 he began receiving a regular monthly income of \$85. Aid is discontinued October 31. There is no repayment due.

If aid is discontinued effective with the last day of the month following that in which ineligibility occurred, overpayment began in the month in which the income was received (and/or change in need occurred) even though the recipient was eligible on the first day of that month.

Example 2: An OAS recipient having no income and no need in excess of \$75 received a \$75 grant on October 1. On October 17 he began receiving a regular monthly income of \$85. He did not report the income until November 13. Meanwhile he received and cashed his November warrant. Overpayment occurred in both October and November (because the income received in each of those months exceeded total need as provided in W&IC 2020).

Under all other circumstances ineligibility does not begin until the first of the month following that in which the changed circumstances occurred.

Example 3: An OAS recipient owning no personal property on October 1 received a \$1,500 inheritance on October 17. He did not report the inheritance until November 13. Meanwhile he had received and cashed his November warrant. Overpayment occurred in November only (because he was eligible when the October aid was "paid to him", but was not eligible when the November aid was "paid to him", as provided in W&IC 2163).

(a)

## II. Discontinuance for One Month to Adjust for Overpayment

Under certain circumstances aid to an otherwise eligible recipient is discontinued for one month in order to adjust for overpayment in the preceding first and/or second month. The month for which aid is discontinued is known as the "month of adjustment."

### A. Overpayment Due to Income (and/or Change in Need)

Aid to an otherwise eligible recipient shall be discontinued for one month if the amount of overpayment in the two preceding months exceeds the amount of aid to which the recipient would otherwise be entitled in the month of adjustment. The need in the month of adjustment shall not be increased by carrying forward any deficiency between the total need in a previous month, and the sum of the grant and the income in such previous month. Likewise any such deficiency shall not be considered when determining the amount of overpayment in any previous month.

When determining total need for a particular month, no consideration shall be given to needs which had not been reported to the county prior to the end of the particular month except when special circumstances prevented the recipient from notifying the county of his changed circumstances before the end of that month.

- (a) New policy and incorporation of ANC into ANC Manual and ANB & APSB into AB Manual.



Special circumstances include:

Illness

The need arose too late in the month to give the recipient reasonable time in which to report within the month

Infrequent mail service, etc.

If the changed circumstances are reported as soon as the recipient could reasonably be expected to do so but not later than the month following that in which the change occurred, the need shall be recognized for the month in which it occurred, rather than in the month reported. Discontinuance for one month (provided the recipient would have been eligible had no overpayment occurred) adjusts for overpayment during the two preceding months to the extent of the amount of aid to which the recipient would have been entitled in the month of adjustment, had no overpayment occurred. Request for repayment of any unadjusted remainder of the overpayment shall be governed by Sec. 670-76.

(a)

Example 4: An OAS recipient was receiving a \$75 grant because he had no income. On May 3 he began to receive continuing income of \$50 a month which was not reported until June 14. He reported no special needs, and overpayment of \$50 occurred in each of the months of May and June, a total of \$100. Aid is discontinued effective June 30 because the \$100 overpayment exceeds the \$25 grant to which he would otherwise be entitled for July. Aid is restored in the amount of \$25 effective August 1. Discontinuance for the month of July adjusts for \$25 of the \$100 overpayment and repayment of the \$75 unadjusted balance is requested.

B. Overpayment due to Excess Real or Personal Property

1. Recipient Purposely Withheld (or Misrepresented) the Facts.

If property holdings were excessive on the first day of any month for which aid was paid, overpayment occurred to the extent of the aid paid for the particular month. Aid shall be discontinued for one month for an otherwise eligible recipient if the overpayment in the first and/or second month prior to the month of adjustment is equal to or more than the grant the recipient would have received in the month of adjustment.

Example 5: The recipient whose grant was \$65 a month purposely withheld the facts and on October 15 the county discovers that his real property holdings were excessive on the first day of each of the months of September and October. On October 10 he sold a lot for \$300. His real property holdings were reduced within the maximum and his personal property including the proceeds received from the sale are within the maximum on November 1. Had it not been for the overpayment of \$130 (the full grant for September and October) he would have been entitled to receive a grant of \$65 in November (the month of adjustment). Aid is discontinued effective October 31, and is restored effective December 1. The discontinuance for the month of November adjusts for \$65 of the \$130 overpayment. Repayment to the extent of the unadjusted balance shall be requested. (See Sec. 670-76.)

(a) New policy and incorporation of ANC into ANC Manual and ANB & APSB into AB Manual.

2. Recipient Failed to Disclose Facts Believing Them to Be Immaterial to Eligibility.

If property holdings are excessive on the first day of one or more months a grant adjustment and/or request for repayment shall be made on the basis of the highest amount by which property holdings were excessive on any day during the total period of ineligibility, or the amount of aid paid during the period of ineligibility, whichever is lesser.

Aid to an otherwise eligible recipient shall be discontinued for one month when the largest amount by which property holdings were excessive during the two preceding months (or the amount of aid paid during those two months, whichever is the lesser amount) is equal to or more than the amount of aid to which the recipient would otherwise be entitled in the month of adjustment. (If the highest excess in such period is less than the amount of aid to which the recipient would otherwise be entitled in the month of adjustment, appropriate decrease shall be made in the grant - see Sec. 361-10, Decrease in Grant.)

Example 6: On October 15 the county discovers that an OAS recipient's personal property has been excessive since July 1. The highest excess was \$190 which occurred on August 8. In September the highest excess was \$80 and total holdings are within the maximum by November 1. The recipient's need and income are such that he would have been entitled to receive a grant of \$75 in November had it not been for the overpayment which occurred in the two preceding months. Aid is discontinued effective October 31 because the highest excess occurring in the previous two-months' period exceeded \$75. Aid is restored effective December 1. The discontinuance for November adjusts for \$75 of the total excess (\$190). Repayment to the extent of the unadjusted balance of \$115 shall be requested. (See Sec. 670-76.)

(a)

Broken periods of ineligibility may have occurred due to fluctuation in the value of the same holdings, i.e., the recipient did not add to his bank account or other items of personal property and the ineligibility resulted solely from fluctuation in the market value of his holdings, as in the case of corporation stock. Under such circumstances determine in which one of the several ineligible periods the property reached the highest excess. This amount, or the amount of aid paid during the various periods of ineligibility whichever is lesser, represents the amount of repayment due. Aid shall be discontinued for one month if ineligibility existed during the first and/or second month preceding the month of adjustment and the highest excess in that period is equal to or more than the amount of aid for which the recipient would otherwise be eligible in the month of adjustment. Any unadjusted balance of the repayment due is subject to collection.

(a) New policy and incorporation of ANC into ANC Manual and ANB & APSB into AB Manual.



### 3. Recipient H No Knowledge of the Facts

Overpayment during the two months preceding the month of adjustment shall be adjusted as set forth in Item 2, Recipient Failed to Disclose Facts Believing Them to be Immaterial to Eligibility. There is right to request repayment for any unadjusted balance of the overpayment occurring within that two-month period provided such request is made on or before the last day of the month of adjustment. No request for repayment or follow-up on a previous request may be made thereafter. There is no right to request repayment for overpayment which occurred prior to the second month preceding the month of adjustment. (See Sec. 670-76)

### C. Overpayment Due to Factors Other Than Property or Income

Overpayment may have occurred for reason other than income (and/or change in need) or excess property, and the circumstances may have so changed that the recipient is eligible to receive aid. Aid shall be discontinued for one month if the amount of overpayment occurring within the two months preceding the month of adjustment is equal to or more than the amount of aid to which the recipient would otherwise be entitled in the month of adjustment. There is right to request repayment of any unadjusted balance of the overpayment occurring in the two preceding months provided such request is made not later than the last day of the month of adjustment. There is no right to request repayment for overpayment which occurred prior to the second month preceding the month of adjustment unless the recipient purposely withheld or misrepresented the facts as to his eligibility. (If the overpayment in the two months preceding the month of adjustment is less than the amount of aid to which the recipient would be entitled in the month of adjustment, appropriate decrease shall be made in the grant. (See Sec. 361-10, Decrease in Grant.)

(a)

Discontinuance of aid is effective as of the last day of the month for which the last warrant was delivered.

Discontinuance of aid for a month for which the recipient would not have been entitled to receive a payment in some amount adjusts for no portion of any previous overpayment.

When aid is restored following discontinuance for one month to adjust for overpayment, the amount of aid granted shall be determined on the basis of the need and the income at the time of restoration. Under no circumstances may a lesser amount be granted to adjust for any unadjusted balance of a previous overpayment.

Two causes of ineligibility may have existed concurrently, i.e., the recipient may have been overpaid because of income (and/or a change in need), and during the same period personal property holdings may have been excessive. If so, compute the amount of repayment due on the basis of each cause of ineligibility. Adjust on the basis of the single factor of ineligibility which resulted in the larger amount of repayment due as outlined herein in Item A, B, or C, whichever is applicable.

(W&IC 2020, 2140, 2220; AGO 4473)

- (a) New policy and incorporation of ANC into ANC Manual and ANB & APSB into AB Manual.

CIRCUMSTANCES UNDER WHICH THERE IS NO RIGHT TO REQUEST REPAYMENT

Except to the extent that overpayment can be adjusted within the current adjustment period (see Secs. 361-10 and 361-50) there is no right to request repayment for:

1. Overpayment during a period subsequent to the date the recipient reported or otherwise disclosed the facts affecting his eligibility.
2. Overpayment determined on the basis of facts of which the recipient had no knowledge.

CIRCUMSTANCES UNDER WHICH THERE IS A RIGHT TO REQUEST REPAYMENT

In circumstances other than as stated immediately above, the eligibility factors involved govern the determination of the right to request repayment and the amount to be requested.

Overpayment Caused by Excess Real or Personal Property

If the recipient purposely withheld (or misrepresented) the facts in order to obtain aid to which he was not entitled, the right exists to request repayment of all aid paid during the period while property holdings were in excess of the allowable maximum.

If the recipient actually believed himself to be entitled to the aid received but failed to disclose facts merely because he believed them to be immaterial to his eligibility, the right exists to request repayment only to the extent of the largest amount by which his real or personal property holdings were excessive during the period of ineligibility.

In no event shall repayment be requested in an amount greater than the aid the recipient received while possessed of excess property, except as provided in Sec. 671-10, Discovery of Excess Property or Income Subsequent to Recipient's Death.

Overpayment Caused by Income (and/or decreased need)

~~In determining if overpayment occurred the county shall allow for any bonafide special needs for which no allowance was made when computing the amount of the grant paid.~~

(a)

The right exists to request repayment to the extent of the overpayment which occurred. It is irrelevant whether the recipient purposely failed to report his income or failed to report it because he thought it was immaterial to his eligibility.

(Section Continued on Next Page)

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(a) Change in policy.



When figuring the amount of overpayment for a particular month, no consideration shall be given to special needs which the recipient had not reported by the end of the particular month. Further, the total need shall not be increased by carrying forward any deficiency between total need in a prior month, and the sum of the grant and the income in such prior month.

(a)

#### Overpayment Caused by Factors Other Than Income or Excess Property

The right exists to request repayment to the extent of all aid paid during the period of ineligibility only if the recipient withheld or misrepresented the facts in order to obtain aid to which he was not entitled. Exception: If overpayment resulted from the recipient's failure to disclose the facts because he believed them to be immaterial, there is no right to request repayment for any overpayment which cannot be adjusted within the current adjustment period.

If a recipient failed to report or otherwise disclose the facts as to his eligibility, the right exists to request repayment as above defined even though the county may have had facts as to ineligibility from some other source and failed to act upon them.

If the right exists to request repayment, the county shall make a demand for repayment of the amount due. (See Sec. 671-25, Demand for Repayment) However, if there is evidence that the recipient was underpaid for a past month or months for which the county is now required to pay retroactive aid (i.e., the recipient was entitled to receive an additional amount of aid for a particular month on the basis of changed need and/or income which had been reported (see Sec. 361-25, Item 11)) the amount of repayment due may be decreased to the extent of such underpayment in lieu of issuing retroactive aid payments. The reason for a request for repayment in the reduced amount shall be explained in the case record.

(a)

Example: During reinvestigation in December it is determined that the recipient had unreported income in February which resulted in an overpayment of \$30 in that month only. Also the record shows that no action was taken to allow for a special medical need in June which the recipient reported in that month. On the basis of reported need in June the recipient is entitled to \$10 retroactive aid. Request is made for repayment of \$20 (\$30 overpayment in February less \$10 underpayment in June).

(a)

(W&IC 2140, 2222, 2223.5; AGO 47/307)

Payments of security or aid shall be made directly to the grantee or authorized payee, except under certain conditions following death when the provisions of Secs. 611-00, Payment When Grantee Dies, and 611-10, Payments When Child Dies, shall be followed.

In OAS, ANB, and APSB, when a guardian is the payee, Summary of Letters of Guardianship (Form DPA 5) shall be on file with the SDSW. In ANB and APSB if the grantee is a minor and the guardian is the natural parent, letters of guardianship are not required. (See Sec. 626-20, Identification of Aid Pay Rolls.) The guardian's name shall appear on the pay roll together with the name of the grantee.

ANC payments shall be made to the person or institution providing care for the children on whose behalf the grant is made. If ANC is paid on behalf of children who are wards of the juvenile court, the payments may be made to the probation officer. If payments are made on behalf of a parolee from the California Youth Authority for whom the parole officer signed the application, the warrants shall be made payable to, and mailed to, the relative if the child is living with a relative eligible under the Social Security Act, or, if the child is living in a boarding home, the warrant shall be made payable to the boarding home mother and shall be mailed in care of the area office of the California Youth Authority. (See Sec. 628-00, Payees Eligible Under Social Security Act.) (W&IC 1556.5, 1557, 1560, 2140, 2183, 3075, 3460; FSS-Admin.)

(a)

*or a relative*  
In ANC, if a child is living with a parent, payment shall be made to the parent, the legal guardian of the parent, the child, or, in an emergency, to the person acting temporarily for the parent. If the child is living with a relative other than a parent, payment shall be made to that relative, the legal guardian of that relative, the child, or, in an emergency, the person acting temporarily for that relative. If the child is living in a foster home or institution, payment preferably should be made to the foster home or institution caring for the child but may be made to the parent or other relative responsible for the child or to the probation officer if the child is a ward of the juvenile court. If the child in a foster home is a parolee from the California Youth Authority, for whom the parole officer signed the application, the warrant shall be payable to the foster home mother but mailed in care of the California Youth Authority. (See ANC Manual, Secs. C-120 through C-140 for Federal Participation.) (W&IC 1556.5, 1557, 1560, 2140, 2183, 3075, 3460, FSS-Admin.)

*of Policies and Procedures-ANC*

(a) To conform with federal requirements.